



MRVL

MANDHANA RETAIL VENTURES LTD.

THE MANDHANA RETAIL VENTURES LIMITED

Our Company was incorporated as 'Mandhana Retail Ventures Limited' vide Certificate of Incorporation dated February 12, 2011 by the Registrar of Companies, Maharashtra and obtained the Certificate of Commencement of Business on April 9, 2011 under the Companies Act, 1956. Our Company's name was changed to 'The Mandhana Retail Ventures Limited' vide a fresh certificate of incorporation consequent to change of name dated September 26, 2016 by the Registrar of Companies, Maharashtra under the Companies Act, 2013. Our Corporate Identity Number is U52390MH2011PLC213349.

Registered Office: Plot number E-132, MIDC, Tarapur Industrial Area, Boisar, Palghar - 401 506, Maharashtra, India. Tel No.: +91-2525-697301 to 306

Corporate Office: 006-008, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai - 400 012, Maharashtra, India. Tel No.: + 91-22-4353 9191; Fax No.: + 91-22-4353 9216;

E-mail: cs@mandhanaretail.com; Website: www.mandhanaretail.com;
Contact Person: Mr. Virendra Varma, Company Secretary and Compliance Officer

Promoters of our Company: Mr. Purushottam C. Mandhana, Mr. Biharilal C. Mandhana, Mr. Manish B. Mandhana, Mr. Priyavrat P. Mandhana and Purushottam C. Mandhana (HUF).

INFORMATION MEMORANDUM FOR LISTING OF 22,082,609 EQUITY SHARES OF RS. 10/- EACH ISSUED BY OUR COMPANY PURSUANT TO THE SCHEME OF ARRANGEMENT

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS	
Investments in equity and equity related security involves a degree of risk and investors should not invest in the equity shares of The Mandhana Retail Ventures Limited 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 the shares of The Mandhana Retail Ventures Limited. For taking an investment decision, investors must rely on their own examination of our Company including the risks involved.	
OUR COMPANY'S ABSOLUTE RESPONSIBILITY	
The Mandhana Retail Ventures Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to The Mandhana Retail Ventures Limited, which is material in the context of the issue of shares pursuant to the Scheme, that the information contained in this Information Memorandum 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 Information Memorandum 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 The Mandhana Retail Ventures Limited are to be listed on the BSE Limited (BSE), the designated stock exchange and National Stock Exchange of India Limited (NSE). Our Company has received in-principle approval from BSE and NSE on November 3, 2016 and December 2, 2016 respectively. Our Company has submitted this Information Memorandum with BSE and NSE and the same has been made available on our website www.mandhanaretail.com . The Information Memorandum would also be available on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).	
REGISTRAR AND TRANSFER AGENTS	
	Link Intime (India) Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078, Maharashtra, India Tel: +91-22-2596 3838; Fax: +91-22-2594 6969 Contact Person: Mr. Ajay Jadhav E-mail: rnt.helpdesk@linkintime.co.in website: www.linkintime.co.in



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SECTION I - GENERAL

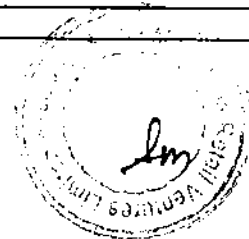
DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies shall include amendments thereto, from time to time:

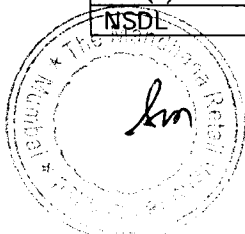
Term	Description
"MRVL" or "Mandhana Retail" or "the Company" or "Transferee Company" or "Resulting Company" or "Mandhana Retail Ventures Limited" or "our Company" or "we" or "us" or "our"	The Mandhana Retail Ventures Limited
"Mandhana Industries Limited" or "MIL" or "Transferor Company" or "Demerged Company" or "Petitioner Company"	Mandhana Industries Limited
Promoters	Mr. Purushottam C. Mandhana, Mr. Biharilal C. Mandhana, Mr. Manish B. Mandhana, Mr. Priyavrat P. Mandhana and Purushottam C. Mandhana (HUF)
Promoter Group	Promoter Group of our Company as determined in terms of regulation 2(1)(zb) of the SEBI (ICDR) Regulations are enumerated in the chapter entitled "Our Promoter Group" beginning on page no. 94 of this Information Memorandum viz. Ms. Prema Mandhana, Ms. Sudha Mandhana, Ms. Sangeeta Mandhana, Ms. Preeti Mandhana, Mr. Vinay Mandhana, Biharilal Mandhana (HUF), Manish Mandhana (HUF), Master Arnav Mandhana, Ms. Muskaan Mandhana, Ms. Poorvi Jithalia, Ms. Preeti Mandhana, Ms. Kamlabai Rathi, Ms. Tulsibai Chandak, Ms. Bhagwati Chandak, Ms. Chanda Jaju, Ms. Mangala Somani, Ms. Shakuntala Dargad, Ms. Archana Seth, Mandhana Industries Limited, Sundhya Chhaya Finvest Private Limited, Ashlesha Finvest Private Limited, Dhumketu Finvest Private Limited, Mahan Synthetic Textiles Private Limited, Golden Seams Industries Private Limited, Mandhana -WD Limited, Breakbounce India Limited and M/s Balaji Corporation.
Group Companies/Group Entities	Unless the context otherwise requires, refers to companies/ other ventures promoted by our Promoters viz. Mandhana Industries Limited, Sundhya Chhaya Finvest Private Limited, Ashlesha Finvest Private Limited, Dhumketu Finvest Private Limited, Mahan Synthetic Textiles Private Limited, Golden Seams Industries Private Limited, Mandhana -WD Limited, Breakbounce India Limited and M/s Balaji Corporation which are further enumerated in the chapter entitled "Our Group Entities" beginning on page no. 95 of this Information Memorandum.

General Terms (Business/Industry Related Terms)

Term	Description
Adjusted Closing Market Price	Closing Price after adjusting impact upon the Scheme being implemented
AGM	Annual General Meeting
Articles/Articles of Association/AOA	Articles of Association of MRVL
Appointed Date	April 1, 2014



Term	Description
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India
Auditor	The Statutory Auditors of MRVL
Board / Board of Directors	Board of Directors of MRVL
BSE	BSE Limited
Being Human/Being Human Clothing	An exclusive global license to design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human" brand pursuant to trademark license agreement dated August 24, 2016 entered with "Being Human - The Salman Khan Foundation" by our Company
CAP	Corrective Action Plan
Capital or Share Capital	Share Capital of MRVL
CDR	Corporate Debt Restructuring
CDSL	Central Depository Services (India) Limited
Act / Companies Act	The Companies Act, 1956 and/or the Companies Act, 2013, to the extent applicable and any Rules issued thereunder
Companies Act, 1956	Companies Act, 1956, as amended
Companies Act, 2013	The Companies Act, 2013 to the extent applicable and any Rules/Amendments issued thereunder
Demerged Undertaking/ Being Human Retail Division	The undertaking, business, activities and operations of MIL pertaining to the Being Human Retail Division on a going concern basis and as described in detail in the Scheme.
Designated Stock Exchange ('DSE')	The designated stock exchange for the listing shall be BSE
Depositories Act	The Depositories Act, 1996 and amendments thereto
DP	Depository Participant
EBOs	Exclusive Brand Outlets
Effective Date	April 1, 2016
EGM	Extraordinary General Meeting
Eligible Shareholder(s)	Eligible holder(s) of Equity Shares of Mandhana Industries Limited as on the Record Date i.e. September 23, 2016.
Equity Share(s) or Share(s)	Fully paid up equity shares of MRVL having a face value of Rs. 10/- each unless otherwise specified in the context thereof.
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FIs	Financial Institutions
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FPI(s)	Foreign Portfolio Investors registered with SEBI under applicable laws
Financial Year/Fiscal/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
GOI	Government of India
HUF	Hindu Undivided Family
Indian GAAP	Generally accepted accounting principles in India
IT Act	The Income Tax Act, 1961 and amendments thereto
KMP	Key Managerial Personnel
Listing Agreement	Equity listing agreements entered into between our Company/Demerged Company and the Stock Exchanges post applicability of SEBI (LODR) Regulations
Memorandum/Memorandum of Association/MOA	Memorandum of Association of MRVL
NBFC	Non-Banking Finance Company
NR	Non Resident
NRI(s)	Non Resident Indian(s)
NSDL	National Securities Depository Limited



Term	Description
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
Old Listing Agreement	Equity listing agreements entered into between Demerged Company and the Stock Exchanges pre applicability of SEBI (LODR) Regulations
RBI	The Reserve Bank of India
Record Date	September 23, 2016
ROC	Registrar of Companies
S4A	Scheme for Sustainable Structuring of Stressed Assets
Salman Khan Foundation	Being Human - The Salman Khan Foundation
SARFAESI Act	Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act 2002
Scheme or Scheme of Arrangement or Scheme of Arrangement of Demerger or Demerger Scheme or Scheme of Demerger	Scheme of Arrangement under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 amongst Mandhana Industries Limited and Mandhana Retail Ventures Limited and their respective shareholders and creditors, sanctioned by the High Court of Judicature at Bombay on March 29, 2016.
SDR	Strategic Debt Restructuring
SEBI	Securities and Exchange Board of India
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto.
SEBI (LODR) Regulations	SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments thereto.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange(s)	BSE and the NSE where the Equity Shares of MRVL are to be listed
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
TEV	Techno-Economic Viability
Third Parties Stores	Large Format Stores inclusive of shop in shops; Multi Brand Stores inclusive of shop in shops and retailers; Distributors inclusive of retailers; E-commerce; and Franchises
Trademark License Agreement	Agreement dated August 24, 2016, entered with "Being Human - The Salman Khan Foundation" and our Company
Wilful Defaulter Company or person	Wilful Defaulter Company or person categorized as a wilful defaulter by any bank or financial institution



CERTAIN CONVENTIONS, USE OF MARKET DATA

Unless stated otherwise, the financial data in this Information Memorandum is derived from our financial statements. The fiscal year commences on April 1 and ends on March 31 of each year, so all references to a particular fiscal year are to the twelve month period ended March 31 of that year. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All references to "India" contained in this Information Memorandum are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. For additional definitions, please see the section titled "Definitions, Abbreviations and Industry Related Terms" of this Information Memorandum. Unless stated otherwise, industry data used throughout this Information Memorandum has been obtained from the published data. Such published data generally states that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Information Memorandum is reliable, it has not been independently verified. The information included in this Information Memorandum about various other group companies is based on their respective Annual Reports and information made available by the respective companies.



FORWARD LOOKING STATEMENTS

We have included statements in this Information Memorandum, that contain words or phrases such as "will", "aim", "will likely 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 that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans;
- Changes in technology;
- Changes in fashion trends;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Changes in laws and regulations in India;
- Changes in political conditions in India;
- Changes in the foreign exchange control regulations in India; and
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.
- Other factors beyond our control.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" beginning on page 9 of this Information Memorandum. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Management's Discussion and Analysis" "Industry Overview" and "Our Business".

We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not materialize.



CURRENCY OF PRESENTATION

In this Information Memorandum all references to "Rupees" and "Rs." and INR are to Indian Rupees, the legal currency of the Republic of India.



SECTION II – RISK FACTORS

The risks described below and any additional risks and uncertainties not presently known to our Company or that are currently deemed immaterial could adversely affect our Company's business, financial condition or results of operations and the trading price of our Equity Shares could decline. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

Risks relating to our Company's Business

INTERNAL RISK FACTORS

1. Our Promoters namely Mr. Purushottam C. Mandhana & Mr. Manish B. Mandhana and our Promoter Group Entities namely Mandhana Industries Limited & Mahan Synthetic Textiles Private Limited have certain overdues with the Banks/NBFCs/FIs.

Certain of our Promoters and our Promoter Group Entities were unable to repay loans on time. Due to defaults, some of the lenders have invoked the collaterals furnished by certain of our Promoters and our Promoter Group Entities and thereafter issued demand notices. For further details, see the section titled "Outstanding Litigations and Material Developments" on page no 141 of this Information Memorandum. Certain of our Promoters and our Promoter Group Entities have granted the issuing Banks/NBFCs/FIs certain rights in relation to the loan facilities advanced, which include, but are not limited to the following: i) an option to enforce the security or recover sums due in any manner the Banks/NBFCs/FIs deem fit, at its discretion; and ii) to demand and recover the balance due in respect of any or all facilities and other charges.

As on September 30, 2016, following are the overdues to the Banks/NBFCs/FIs:

(Rs. in Lacs)							
Category	Name of the Borrower	Type of Loan	Details of the Collaterals	No. of Loan Account	Sanctioned Amount	Outstanding Amount	Overdues Amount
Our Promoters	Mr. Purushottam C. Mandhana	Personal Loan/ Home Loan	Personal properties of the Promoters and Pledge of equity shares of Mandhana Industries Limited (prior to the Record Date).	6	5,155.00	3,838.80	116.20
	Mr. Manish B. Mandhana			5	4,260.85	2,036.10	118.50
	Sub Total – Promoters			11	9,415.85	5,874.90	234.70
Our Group Companies	Mandhana Industries Limited	Term Loan / Working Capital	Hypothecation of Plant & Machinery & Mortgage of immovable properties situated at C-2/C-3/E-25/E-33/E-132, MIDC, Tarapur Industrial Area, Palghar; Plot No. 17-20 & 34-39, Baramati; Unit No-2, Peenya Ind. Area, Bangalore; Present and Future Stock in Trade and Book Debts of MIL; and Personal Guarantees of the Promoters, wherever applicable.	28	131,226.00	101,354.22	12,680.61
		Privately placed Non-Convertible Debenture	Mortgage of immovable properties situated at E-25/E-33, MIDC, Tarapur Industrial Area, Palghar	1	8,000.00	5,736.95	336.95
	Mahan Synthetic Textiles	Corporate Loan / Privately	Personal properties of the Promoters, Pledge of equity shares of Mandhana Industries	5	14,700.00	11,361.73	5,182.73



Category	Name of the Borrower	Type of Loan	Details of the Collaterals	No. of Loan Account	Sanctioned Amount	Outstanding Amount	Overdues Amount
	Private Limited	placed Non Convertible Debenture	Limited (prior to the Record Date) & Golden Seams Industries Limited and Personal Guarantees of Mr. Purushottam C. Mandhana & Mr. Manish B. Mandhana				
	Sub Total - Group Companies			34	153,926.00	118,452.90	18,200.29
	Total			45	163,341.85	124,327.80	18,434.99

Certain of our Promoters in their individual capacity & Mahan Synthetic Textiles Private Limited have defaulted in repayment of loans for which lenders have invoked shares of Golden Seams Industries Private Limited & transferred them into the name of the Debenture Trustee (For further details, see section titled "Our Group Entities" on page 95 of this Information Memorandum) and have also invoked/sold partially pledged shares of Mandhana Industries Limited prior to the Record Date. Majority of the consortium of lenders from whom MIL has raised term loan/working capital have agreed to invoke SDR on October 26, 2016 considering June 24, 2016 as a reference date subject to receiving in-principle approval from their respective sanctioning authorities. Allahabad Bank under the SARFAESI Act has issued Legal Notice on November 21, 2016 to MIL & its Director for taking over possession of the exclusively charged assets to the bank for default in payment for various credit facilities. In case of failure in repayment, Allahabad bank in its aforesaid Legal Notice stated that it would be taking possession of the underlying assets on December 3, 2016. However, to date no such action has been taken. Further, due to default in repayment of principal and interest to the debenture holder(s) of privately placed listed Non Convertible Debenture of MIL, MIL has received a default notice dated October 14, 2016 from L&T Finance Limited to repay the dues. Thereafter MIL has also received a Notice u/s 434 of the Companies Act, 1956, dated November 2, 2016 from L&T Finance Limited. In this regard, vide Notice dated December 02, 2014 a joint meeting has been proposed by the debenture trustee amongst the debenture trustee, the debenture holders & MIL.

We cannot provide any assurance that the businesses of our Group Entities or income streams of Promoters will generate sufficient cash flows that enables them to repay their debt (including any interest). In addition, they may need to refinance all or a portion of their debt on or before maturity. We cannot provide any assurance that they will be able to refinance any of their debt at commercially reasonable terms or at all. As a consequence, the lenders of our Promoters and our Group Entities may take legal action to recover all dues which may include sale/invocation of security offered. On February 24, 2016, all Secured Creditors and Unsecured Creditors having outstanding balance of Rs. 15 lacs and above of MIL were served the notice of final hearing. For further details, see "Sequence of Events of Scheme of Arrangement" in the section titled "Salient Features of the Scheme" on page no 31 of this Information Memorandum. Further, as on the Record Date, our Promoter and Promoter Group holds 57.58% of our equity share capital as well as equity share capital of MIL out of which 65.59% of such Equity Shares are currently pledged to certain lenders of certain of our Promoter and our Group Entities, which has been disclosed to the Stock Exchanges and carries the risk associated with such encumbrances including sale of pledged equity shares of our Company as well as of MIL on above debts. For further details, see the section titled "Capital Structure" on page 37 of this Information Memorandum.

Due to above over dues, we may be unable to, or face difficulties in arranging similar facilities for our business. We may not be able to continue obtaining new loan facilities in sufficient quantities to match our business requirements. As a result, our ability to expand into new markets or segments could be limited. Any of these circumstances could adversely affect our business, financial condition and results of operations, as well as result in an adverse effect on the price of the Equity Shares.



2. Our Group Company namely Mandhana Industries Limited listed on the Stock Exchanges has delayed in filing their financial results for the quarter ended June 30, 2016 due to lack of quorum in the Audit Committee on account of resignation of all Independent Directors, are subject to penalties imposed by other regulatory authorities.

Due to lack of quorum in the Audit Committee and Board of Directors of MIL, in terms of the requirement of constitution of the Board and the Audit Committee under regulations 17 and 18 of the SEBI (LODR) Regulations, MIL was unable to hold the meeting to consider and take on record the Unaudited Financial Results for the quarter ended June 30, 2016. Pursuant to the non-compliance of SEBI circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016 with respect to regulation 33 of SEBI (LODR) Regulations, wherein listed entities adopting the Indian Accounting Standards are required to submit financial results by September 14, 2016 for June 30, 2016 quarter, MIL has received notices from the BSE & NSE both dated September 30, 2016 levying fines of Rs. 86,250/- & Rs. 411,239/- respectively and the same has been paid on October 18, 2016. Additionally, a notice was received vide an email from BSE dated November 07, 2016 levying fine for the sum of Rs. 6,85,676/- which includes the fine of Rs. 86,250/- and same has been paid on November 21, 2016. Further, MIL has paid a sum of Rs. 295,000/- for the period October 1, 2016 to November 28, 2016 to NSE. On account of this non-compliance, MIL is liable to pay fine per day of non-compliance till the date of compliance. Further, MIL may be subjected to other penalties by Stock Exchanges and other regulatory authorities with respect to these non-compliances. We cannot assure you that the regulatory authorities will not impose any further penalties or take any actions against MIL which may also impact our reputation, results of operations and cash flows.

3. Our Group Company namely Mandhana Industries Limited listed on the Stock Exchanges has received notices for delay in submission of Corporate Governance Report ("CGR") for the quarter ended September 30, 2016 under regulation 27(2) of SEBI (LODR) Regulations, 2015, are subject to penalties imposed by other regulatory authorities.

MIL has received notices vide emails from the BSE and NSE levying fines of Rs. 4,000/- each (exclusive of service tax) on November 4, 2016 and October 26, 2016 respectively. This fine is computed as on the date of their respective notices. On account of this non-compliance, MIL is liable to pay fine per day of non-compliance till the date of compliance. MIL requested to consider the reversal of the aforesaid penalty on the grounds mentioned in the emails sent by MIL to BSE on November 8, 2016 and to NSE on October 27, 2016 which *inter alia* state that MIL was unable to furnish the information pertaining to the Independent Directors in the prescribed format due to resignation of the Independent Directors and hence was unable to upload the CGR for the quarter ending September 30, 2016 by October 17, 2016 on BSE Listing platform and NEAPS platform of NSE. Further, MIL may be subjected to other penalties by Stock Exchanges and other regulatory authorities with respect to these non-compliances. We cannot assure you that the regulatory authorities will not impose any further penalties or take any actions against MIL which may also impact our reputation, results of operations and cash flows.

4. There are criminal proceedings pending against our Group Entity namely Mandhana Industries Limited. Any adverse outcome in the proceedings of this case could affect our Promoter and as a result, it could affect our reputation, business, results of operations and financial condition.

There are criminal proceedings pending against our Group Entity namely Mandhana Industries Limited. The details of the same are hereunder.

A criminal complaint registered as CC. No 16/CW of 2004 has been filed in the Court of the Learned Chief Metropolitan Magistrate at Esplanade, Mumbai, by Asst. Commissioner of Customs, Prosecution Cell (Appraising), v/s. (1) Mandhana Industries Limited; (2) Mr. Shashikant G. Mandhana; and (3) Mr. Sudhakar S Jamshandekar u/s 132 of the Customs Act, 1962 and u/s 135(1) (a) (ii) of the Customs Act, 1962 r/w Section 120-B of the Indian Penal Code 1860 for the alleged fraudulent claim of duty drawback of Rs. 1,426,205/-. The matter is pending before the Court of the Learned Chief Metropolitan Magistrate at Esplanade, Mumbai.



No assurance can be given that this case will be settled in favour of our Group Entity or that no further liability will arise out of these claims. An adverse outcome in this case could have a material adverse effect on our Group Entity and thereby may affect the reputation of our Promoter, our Group Entity and our Company.

5. We depend on our Trademark License Agreement with 'Being Human - The Salman Khan Foundation' for our business operations. Our business and results of operations may suffer if Trademark License Agreement is either terminated or expires on account of efflux of time or terms are renegotiated.

We do not own any intellectual property in relation to the 'Being Human' brand and are dependent primarily upon the terms & conditions of the Trademark License Agreement pursuant to which we have entered into an exclusive global license to design, manufacture, retail and distribute men's wear, women's wear and accessories under the "Being Human" trademarks registered in India until March 31, 2020. In the event of any breach, the agreement may be terminated and/or converted into non-exclusive license. Under the aforesaid agreement, our Company is free to enter into license agreement with any other fashion brands or may develop its own brand. Until, we enter into such further agreement or develop our own new brand, if for any reason this agreement is terminated or partially renewed or not renewed, our business and results of operations may suffer. Also any changes could require us to incur additional costs and may adversely impact our business, financial condition and results of operation.

6. Our Company has no operating history, so it is difficult to estimate our future performance.

Pursuant to the Scheme, the assets & liabilities, activities and operations of Being Human Retail Division of MIL have been transferred to our Company. Although the employees are transferred along with the business, our Company and our newly constituted Board has limited prior experience in operating fashion/retail business. Our Company currently has no significant operating history from which our business, future prospects and viability can be evaluated. Any inability of our Company to effectively undertake fashion/retail business could adversely affect our business prospects, financial condition and results of operation. Moreover, our Company's prospects and viability should not be evaluated based on the performance of MIL. As a result, we cannot assure that our future performance or business strategy will be as successful.

7. Our Promoters have provided personal guarantees and/ or collateral of shares of our Company and certain Promoter Group Companies to secure the loans availed by our Promoters and Promoter Group Companies and may also provide additional guarantees.

Our Promoters have provided personal guarantees, security and collaterals to secure a significant portion of our Promoters and Promoter Group Companies existing borrowings and may also continue to provide such guarantees and other security including pledge of Equity Shares of our Company and/or certain Promoter Group Companies. As on the Record Date, our Promoter and Promoter Group holds 57.58% of our equity share capital out of which 65.59% of such Equity Shares are currently pledged to certain lenders of certain of our Promoters and our Promoter Group Companies and carry the risk associated with such encumbrances including sale of pledged equity shares of our Company. For further details, see the section titled "Capital Structure" on page 37 of this Information Memorandum.

On account of certain defaults by our Promoters/Promoter Group Companies, pledged equity shares of MIL & Golden Seams Industries Private Limited have been invoked by the lenders and we may face impediments in taking decisions on certain key, strategic matters and the lenders will be entitled to exercise voting rights.

Any further default or breach under the above financing agreements pursuant to which such Equity Shares are pledged will entitle the Banks/NBFCs/FIs, *inter alia*, to additionally enforce the pledge over such collateral and take additional ownership of the collateral and to sell the pledged Equity Shares to third parties. Accordingly, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial



condition, business, results of operations and prospects and would negatively impact our reputation.

8. Our Company and Our Group Company, MIL (Demerged Company) have not paid Corporate Tax for the Financial Year 2015 and 2016, on account of the Scheme.

On account of the Scheme, financials for the Fiscal 2015 and Fiscal 2016 have been accounted separately for MRVL & MIL and in terms of the Audited Financials, the net corporate tax liabilities are payable as under:

(Rs. in Lacs)		
Financial Year	MRVL (Resulting Company)	MIL (Demerged Company)
Fiscal 2015	1,059	2,394
Fiscal 2016	1,139	2,947
Total	2198.00	5341.00

Under the Income Tax Act, 1961, due to delay in payment of the Corporate Tax, Demerged Company and Resulting Company may be liable to pay interest and other penal consequences thereon. As a result, our business, financial condition and results of operations could be adversely affected.

9. Our Company has, in the past, delayed the payment of interest on the loans granted by a lender. In the event we fail to make timely repayments of our loans in the future, the lender may take appropriate remedial action against us.

Post Appointed Date, our Company has delayed the payment of instalment on the term loan granted by a lender. Pursuant to the Scheme, procedure of assignment of the term loan from the Demerged Company to our Company was under process, thereby incurring a delay. As of date the account stands transferred to our Company and has been regularised.

Such delays, if any, in the future may be construed as a default of the loan agreement and our lender may take appropriate remedial action against us. Some of the major consequences of such default include, demand for immediate payment thereof, enforcement of security, etc. These actions could have an impact on the finances and operations of our Company.

10. Certain loans which our Company has availed of contain undertakings, conditions and restrictive covenants which could restrict our ability to conduct business and operations.

Certain loans, which our Company has availed of in connection with our operations, contain conditions and restrictive covenants including, but not limited to, the following:

- Create any further charge over their fixed assets;
- Undertake any expansion or fresh project or acquire fixed assets while normal capital expenditure can be incurred;
- Invest by way of share capital in or lend or advance to or place deposit with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can, however, be extended);
- Formulate any scheme of amalgamation/re-constitution with any other entity;
- Undertake guarantee obligation on behalf of any other entity and any third parties;
- Declare dividend for any year except out of profits relating to that year and after making all the dues and necessary provision provided that no default had occurred in any repayment/obligation and bank permission is obtained;
- Make any repayment of the loans and deposits and discharge other liabilities except those shown in the fund flow statement submitted from time to time; and
- Make any change in the management setup.

We have also granted the issuing banks certain rights in relation to these facilities, which include, but are not limited to the following: an option to enforce the security or recover sums due in any



manner the bank deems fit, as well as the ability of the issuing bank, at its discretion, to demand and recover the balance due in respect of any or all facilities and other charges. Such conditions, covenants and undertakings may restrict or delay certain actions or initiatives that we may propose to take from time to time. A failure to observe such covenants or conditions under these facilities may lead to a termination of these facilities or an acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under other facilities. There can be no assurance that our Company will be able to comply with these financial or other covenants or that our Company will be able to obtain the consents necessary to take the actions our Company believes are necessary to operate and grow our Company's business. Further, if we default on the repayment of the aforesaid loans, the said banks could enforce their security interests on our assets limiting our ability to carry out operations.

During default either by us, our Promoters and our Group Entities, we may be unable to, or face difficulties in arranging similar facilities. We may not be able to continue obtaining new loan facilities in sufficient quantities to match its business requirements. As a result, our ability to expand into new markets or segments could be limited. Any of these circumstances could adversely affect our business, financial condition and results of operations, as well as result in an adverse effect on the price of the Equity Shares.

11. Certain of our Group Companies have incurred losses in past.

Certain of our Group Companies have incurred losses during last three fiscal years (as per their respective audited standalone financial statements), as set forth below:

Sr. No	Name of Group Company	Profit/ (Loss) after tax (Rs. in Lacs)		
		Fiscal 2016	Fiscal 2015	Fiscal 2014
1	Mahan Synthetic Textiles Pvt. Ltd.	(1,232.35)	(592.79)	(499.77)
2	Mandhana -WD Ltd.	(0.09)	(0.19)	(0.47)
3	Sundhya Chhaya Finvest Pvt. Ltd.	(11.14)	(0.51)	(17.79)
4	Ashlesha Finvest Pvt. Ltd.	(3.76)	(1.72)	(33.64)
5	Dhumketu Finvest Pvt. Ltd.	5.73	5.87	(174.74)
6	Breakbounc India Ltd.	(0.21)	(1.31)	(3.41)

For a detailed description of our Group Companies, please see the section entitled "Our Group Entities" on page 95 of this Information Memorandum.

12. There are outstanding legal proceedings involving our Company, Promoters, Directors and Group Companies.

There are certain outstanding legal proceedings against our Company, Directors, Promoters and Group Entities. These proceedings are pending at different levels of adjudication before various courts, enquiry officers, and arbitrators. If any of the cases pending/notices are converted into litigation and/or are decided or determined against us, our Directors, our Promoter or any of our Group Entities, such decision may have an adverse effect on our business, results of operations and financial condition. If any of the cases filed against Mandhana Industries Limited and which stand transferred to our Company on account of the Scheme, are decided or determined against MRVL, our Company would be required to honour the liabilities arising out these litigations, such decision may have adverse effect on our business, results of operations and financial condition.

Brief details of such outstanding litigation are as follows:

Particulars	Civil Proceedings	Criminal Proceedings	Labour	Tax Demands	Notices	Penalties	Amount Quantified* (Rs. in Lacs)
Against our Company	2	-	-	-	-	1	Not Quantifiable
Against our Directors	-	-	-	1	3	-	0.25

Particulars	Civil Proceedings	Criminal Proceedings	Labour	Tax Demands	Notices	Penalties	Amount Quantified* (Rs. in Lacs)
Against our Promoters	2	-	6	4	16	3	131.12
Against our Group Entities	1	1	8	15	12	6	158.50

* Amount quantified in case of tax matters and financial implication of litigation only wherever possible.

For further details of outstanding litigations, please refer to the section titled "Outstanding Litigations and Material Developments" on page no 141 of this Information Memorandum.

13. Our Registered and Corporate Office are mortgaged by our Promoter & Promoter Group.

Our Company's registered and corporate offices are owned by our Promoters & a Promoter Group Company and given on leave and license basis to our Company. The same however, have been mortgaged by them for availing various credit facilities. On account of default in making repayment of credit facilities, if any, the possession of the said properties may perhaps be taken over by the mortgagee. In such a scenario, our Company may not be able to continue to occupy such premises, which could have an adverse effect on our business.

14. Our Registered/Corporate Office and/or our Exclusive Brand Outlets are not owned by us and some of them have not been registered or are not adequately stamped. Our inability to execute or renew or enforce leave and license arrangements on favourable terms may adversely affect our business and profitability.

Our Company's registered and corporate offices are owned by our Promoters & a Promoter Group Company and given on leave and license basis. Further, we have 28 'Being Human Exclusive Brand Outlets' which have been obtained on either leave & license; lease; sub-lease; and tenancy basis and are situated on pan India basis. Further, some of our agreements have not been registered or are not adequately stamped. If any of the owners of premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable, or if we are otherwise unable to occupy such premises, our Business may suffer a disruptions on account of closure of stores or increased rent, which could have an adverse effect on our business and financial results.

15. Our business needs substantial capital and additional financing in the form of debt and/or equity to meet our requirements, and any failure or delay to obtain the same may affect our business plans adversely.

Our business is funded through equity, debt and internal accruals. However, the actual amount and timing of future capital requirements may differ from estimates including but not limited to unforeseen delays or unanticipated expenses, market developments or new opportunities in the industry. We may also not be able to generate internal cash in our Company as estimated and may have to resort to alternate sources of funds.

Sources of additional financing may include commercial borrowings, vendor financing, or issue of equity or debt instruments for which our Company needs to comply with the negative restriction stated in the Trademark License Agreement. If we decide to raise additional funds through the debt route, the interest obligations would increase and we may be subject to additional covenants, which could limit our ability to access cash flows from the operations.

We may not be successful in raising additional funds in a timely manner or on favourable terms or at all. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our store plans or growth strategies or reduce capital expenditure and the size of our operations.



16. If we are unable to maintain and enhance the 'Being Human' brand, the sales of our products will suffer which would have a material adverse effect on our results of operations.

We believe that maintaining and enhancing the 'Being Human' brand, are critical to maintaining and expanding our customer base. Maintaining and enhancing brand may require us to make substantial investments in areas such as garment designing, outlet operations, marketing and employee training, and these investments may not be successful. In particular, as we expand into new geographic markets, consumers in these markets may not accept our brand. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing the brand may become increasingly difficult and expensive. If we are unable to maintain or enhance brand image, our results of operations may suffer and our business may be harmed.

17. Our product offering includes a range of fashion merchandise, which is seasonal and rapidly changing. Any failure in identifying changing fashion trends or any reduction in consumer demand would adversely affect our Company's business.

Our Company deals with fashion/retail products. The fashion/retail industry is seasonal, highly creative, competitive and rapidly-changing with change in customer preferences, income levels and demographics. Further, sale of fashion products is also affected by festive and marriage seasons. Sale of our products may decline during recessionary periods and may also decline for a variety of other reasons, including changes in fashion trends and the introduction of new products or pricing changes by our competitors. Such decline of sales may result in return of unsold inventories lying at our Third Parties Stores which may have significant impact on our revenue and profitability. Uncertainties regarding future economic prospects could also affect consumer-spending habits and may have an adverse effect on the results of operations. Our success depends upon our ability to anticipate and respond to the changing customer lifestyle, fashion trends and preferences in a timely manner. Any inability on our part to perceive and capitalize on prevailing trends, timely forecast changing trends or failure to keep pace with the rate of such change may affect our growth prospects. This could lead to an adverse impact on our business, results of operations and profitability.

18. The Companies (Auditor's Report) Order, 2003 ("CARO") for the Fiscal 2015, Fiscal 2016 and quarter ended June 30, 2016 contains certain auditors' remarks.

The Companies (Auditor's Report) Order, 2003 ("CARO") for the Fiscal 2015, Fiscal 2016 and quarter ended June 30, 2016 contains certain auditors' remarks. The details of which are as under:

For the three month ended June 30, 2016

Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on June 30, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	FY 2014-15	10.59
Income Tax Act, 1961	Corporate Tax	FY 2015-16	11.39
Income Tax Act, 1961	Corporate Tax	April to June 2016	4.95

Delay in repayment of dues to Banks

In our opinion and according to the information and explanations given to us, the company has delayed in repayment of dues to bank during the quarter ended June 30, 2016. As at the quarter ended, the company has delayed in repayment of Rs. 2.50 crores towards term loan taken from Axis Bank.

For the year ended March 31, 2016



Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	F Y 2014-15	10.59
Income Tax Act, 1961	Corporate Tax	F Y 2015-16	11.39

Delay in repayment of dues to Banks

In our opinion and according to the information and explanations given to us, the company has delayed in repayment of dues to bank during the year ended March 31, 2016. As at the year ended, the company has delayed in repayment of Rs. 2.50 crores towards term loan taken from Axis Bank.

For the year ended March 31, 2015

Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	F Y 2014-15	10.59

For further details in relation to the Auditors' remark in the CARO for, see section titled "Financial Information" on page 107 of this Information Memorandum and for management responses thereon, please see section titled "Management Discussion and Analysis" on page 133 of this Information Memorandum.

19. Any negative publicity regarding the "Being Human" brand in India or abroad could have an adverse impact on our business, results of operations and future prospects.

Marketing of the brand image is very important for our business. Any negative publicity to our brand "Being Human" on account of any reason including the operations of our Company or of The Salman Khan Foundation or Salman Khan, the owner the Salman Khan Foundation and on account of the outcome of any pending/future litigations against them. Due to the branded nature of our business, any adverse publicity, whether disseminated in India or elsewhere in the world, associated with the Salman Khan's name may negatively affect our reputation and impact on the overall success of operations, regardless of whether the allegations are valid, whether they are limited to just a single location or we are actually at fault.

Further, any adverse media coverage in relation to our failure to materially comply with regulatory standard could have an adverse effect on the reputation of the Being Human's brand, potentially resulting in a reduction of our overall sales. This could lead to an adverse impact on our business, results of operations and future prospects.

20. We are yet to apply for and/or receive consents/ renewals of certain statutory approvals/registrations/ licenses/permissions, or renewals required in the ordinary course of our businesses, and if we are unable to obtain these approvals, permissions and licenses, our business could be adversely affected.

Pursuant to the Scheme, all statutory approvals/registrations/ licenses/permissions, or renewals which are required to operate our business are to be transferred in our Company's name. Some of the statutory approvals/registrations/ licenses/permissions, or renewals have already obtained by our Company and/or have either made or is in the process of making the application. If our Company fails to obtain these approvals/registrations/ licenses/permissions, or renewals thereof, in a timely



manner, or at all, our operations would be adversely affected, having a material adverse effect on our Company's business, results of operations and financial condition. Such grant may also be subject to restrictions and/or permissions which may not be acceptable to our Company, or which may prejudicially affect our operations, and would have a material adverse effect on our Company's business, results of operations and financial condition.

21. Competition in the fashion/retail industry may adversely affect our earnings.

Competition in the fashion/retail industry is intense. Some of our competitors have economic resources greater than those of our Company and are well established as suppliers to the markets that our Company serves. Brand, quality, performance, service and cost are generally the principal competitive factors that our Company faces in the markets in which we operate. To the extent we are unable to deal with these and other competitive pressures effectively, our financial condition and results of operations may be adversely affected.

22. Any inability to manage working capital, predominantly the inventories and receivables, may affect our cash flows and adversely affect our results of operations and financial condition.

Currently, a significant portion of our Company's revenues are generated from products that are characterized by high investments in working capital, predominantly in inventories and receivables. Our inability to manage the working capital requirements coupled with any substantial increase in our investments due to a change in the business scenario may constrain our cash flows and adversely affect our results of operations and financial condition.

23. Our Company's success depends on attracting and maintaining regular customer visits to malls.

Our Company's success depends, to a significant extent, to customer visits to malls, multi brand stores and our retail outlets that are managed or operated by us or by third parties or by our franchisees. For example, promotional activities and events in a mall form an integral part of business and may have an impact on sales volumes and thereby affect the income of our Company. There is no guarantee that our promotional activities will realize any or all of the anticipated benefits of such activities. The failure of such promotional activities could have an adverse impact on our Company's business, financial condition and results of operations.

24. After the Scheme, our Company could fail to meet the operational challenges related to our business.

Although our Company expects that the Scheme will result in certain benefits, it may not realise those benefits because of challenges relating to operating as a stand-alone business. These challenges include completing the arrangement of business, retaining key personnel, distraction of our management's time and resources, difficulty in effectively marketing and communicating the capabilities of our Company to operate as a stand-alone business, demonstration to stakeholders that the Scheme will not result in adverse changes in standards or business and impairment of relationships with employees as a result of the Scheme. Any failure of our Company to operate as a stand-alone business or to realise any of the anticipated benefits of the Scheme could have an adverse impact on our Company's business, financial condition and results of operations.

25. Our Company's success depends on attracting and retaining key personnel.

Our Company's success depends, to a significant extent, on the continued services of our executive management team, which has substantial experience in the fashion industry. There is no guarantee that the executive management team will continue to be employed in our Company. The loss of the services of one or more members of the executive management team could have an adverse impact on our Company's business, financial condition and results of operations.



26. Our Company may be involved in disputes which could adversely affect our business, financial condition and results of operations.

Our Company may be involved in disputes with consumers, vendors, suppliers, creditors, debtors etc. relating to the business. Any such dispute could result in litigation between our Company and such parties. Whether or not any dispute actually proceeds to litigation, our Company may be required to devote significant management time and attention to its resolution (through litigation, arbitration, mediation, conciliation, settlement or otherwise), which may affect the management's ability to focus on our Company's business. Any such resolution could involve the payment of damages or expenses by us which may be significant or settlement on terms that may not be favourable to our Company. Any of the foregoing events could have an adverse impact on our business, financial condition and results of operations.

27. Our Company relies extensively on Information Technology (IT) systems and any disruption in the system or any failure may adversely affect our business operations.

Our Company relies extensively on IT system extensively for connectivity across our business functions through various software and other connectivity systems. The business processes are also IT enabled and any disruption with the functioning of the IT system could adversely affect our business operations.

28. Exchange rate fluctuations in various currencies in which we do business could materially and adversely impact our business, financial condition and results of operations.

Our reporting currency is in Rupees, we transact a significant portion of our business in several other currencies, primarily USD and Euro. The exchange rate between the Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Rupee against foreign currencies in which we do business may fundamentally affect our competitiveness in the long-term. We do not hedge against all foreign exchange risks, which could have an adverse impact on our business, financial condition and results of operations.

29. Our Company is exposed to market risk from interest rate fluctuations.

An increase in interest rates or decrease in the margin on which finance can be obtained may increase our Company's financing costs and such increase in interest rates may increase the cost of borrowing, which could have an adverse impact on our business, financial condition and results of operations.

30. Our Company is potentially liable for any uninsured loss which may result on any account at stores managed by our Company/Third Parties Stores.

There exists a risks of any nature in stores managed by our Company/Third Parties Stores. In such instances, our Company's inability to put in place adequate insurance cover may have an adverse impact on our business, reputation, financial condition and results of operations.

31. The products manufactured by our Company in relation to the 'Being Human' brand are vulnerable to counterfeiting or imitation by third parties that may affect the reputation of our Company.

Our Company ensures that the products are exclusively manufactured by contract manufacturers for our Company and they are not permitted to sell these products. We maintain a close check and control over each stage of the production process and conduct quality checks at every stage. However, the 'Being Human' brand of products are vulnerable to counterfeiting and imitation by third party vendors who may manufacture and sell products in the mass market at relatively cheaper prices. While we make constant checks in mass markets in an effort to prevent the sale of any counterfeit products of the 'Being Human' brand, there can be no assurance that we will be able to prevent sale of counterfeit products at all times. Any sale of counterfeit or imitation products which does not match the quality standards of our products will adversely impact our



reputation and may also affect our relationship with Being Human - The Saiman Khan Foundation. It will also materially affect our business, prospects, results of operations and financial conditions.

32. Our business is highly dependent on supply chain management. Inefficient supply chain management by us or third parties may affect our business and results of our operations.

The success of our business is dependent on effective supply chain management. Our supply chain stretches from suppliers to final customers. Ensuring availability of shelf space for our products requires quick turnaround times and high level of coordination with suppliers; and we currently rely on a number of domestic suppliers. However, if timely and adequate supplies of raw materials on acceptable commercial terms are not available to us, or if there are significant increases in the cost of these materials, then our margins, results of operations and financial condition may be adversely affected. Our inability to meet our obligations, including financial and other covenants under our credit facilities could adversely affect our business and financial results.

33. We are exposed to the credit risk of our Third Parties Stores for the 'Being Human' brand, and any non-payment or non-performance by any of them could materially and adversely affect our financial condition and results of our operations.

We are exposed to payment delays and/or defaults by our Third Parties Stores that operate stores for the 'Being Human' brand. Our financial position and profitability therefore depends on the creditworthiness of our franchisees. Certain of these franchisees may have weak credit history and we cannot assure that these parties will always be able to pay us in a timely manner, if at all. Any change in the financial condition of our franchisees that adversely affects their ability to pay us may materially and adversely affect the results of our retail operations and financial condition.

34. Our Company may be exposed to product liability claims that could have an adverse effect on our Company's results of operations.

The laws of India do not require the maintenance of product liability insurance for our Company's business operations. We, therefore, do not have product liability insurance. If our Company is found liable for any product liability claim, we may be required to pay substantial damages. Even if our Company is successful in defending such a claim, our Company may have incurred substantial financial and other resources in defending such a claim. In such circumstances, our financial results will be adversely affected. Depending on the outcome of any such claims, the reputation of our Company's image could also be adversely affected.

35. Our Promoters and/ or Directors are interested in our Company in addition to their regular remuneration or benefits and reimbursements of expenses.

Our Promoters and/or Directors may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares or other securities, held by them and their relatives (if any) and their dividend or bonus entitlement, and benefits arising from their directorship in our Company and are also interested to the extent of sitting fee payable to them for attending each of our Board and committee meetings (to the extent relevant). Further, our Promoters and a Group Company is also interested to the extent of the property provided on leave and license basis to our Company. For further details, please refer to the section titled "Our Management" and "Our Promoters" on page no 75 and 89 respectively of this Information Memorandum.

36. We had negative cash flows from our investing activities in the three months ended June 30, 2016 and fiscal 2016.

In the three months ended June 30, 2016 and fiscal 2016, we incurred negative cash flows from our investing activities of Rs. 12.58 Lacs and Rs. 1,042.20 Lacs, respectively, as per our restated financial statements. For details, please see section "Financial Information" and "Management's Discussion and Analysis" on pages 107 and 133 of this Information Memorandum.



37. We have filed an application for the trademark registration of our Company word mark; logo and label and cannot ensure that our intellectual property is protected from infringement or use by others, including current or potential competitors. In the event that we are unable to adequately protect our intellectual property or use our name and corporate logo for any reason, our business, operations and reputation may be affected.

We have filed trademark applications, *inter alia*, in relation to the "MRVL" word mark; logo, combination of word and logo and label mark before The Registrar of Trade Marks, Mumbai ("Company Trade Marks"). For details, see the section "Our Business Overview" on page 67 of this Information Memorandum. The trademark registrations have not been granted as of the date of this Information Memorandum. There can be no assurance that we will be able to obtain registration of the Trademark in a timely manner, or at all, or that third parties will not infringe our rights in the Trademark or brand name. If we are unable to obtain or maintain the registration of the Trademark, or are unable to prevent our competitors or other third parties from using the Trademarks, our competitive position may be adversely affected as our brand value may get diluted and we may have to incur substantial costs in litigation to protect our intellectual property. This may affect our brand value and consequently our business and operations.

38. We engage vendors for fulfillment of orders. If our vendor's operations are interrupted for any significant period of time, our business and results of operations would be materially and adversely affected

We engage vendors located in Mumbai and surrounding areas for fulfillment of orders. Such vendor's facilities may also meet the requirements of other garments manufacturers that compete with us and offer better terms than us. Our vendors' production facilities are susceptible to *including but not limited* operating risks, such as damage or interruption from human error, fire, flood, power loss, work stoppages, terrorist attacks, acts of war, theft, earthquake and other force majeure events. Any interruption in our contract manufacturing operations for any significant period of time could adversely affect the timely delivery of our products and our business and results of operations. In addition, refurbishments, installation of new plants and machinery, accidents or sustained bad weather at our contract manufacturers' facilities could result in production losses and delays in delivery of our products, which may adversely affect our operations and profitability. Production may also fall below historic or estimated levels as a result of unplanned disruptions. There can be no assurance that in the event of any disruption in work on account of our vendors, we will be able to find alternate vendors on reasonable terms or at all which could adversely affect our operations and reputation.

39. We will have to find locations to open stores and operate our formats. In the event we are unable to find favourable locations at terms acceptable to us, we may not be able to open new stores or the stores may not yield the expected returns, which may adversely affect our business, cash flows and results of operations.

As the success of any retail business lies largely in identifying the best possible location at a competitive cost, we have dedicated teams to find locations for the purposes of opening our stores or franchisees. Our Company has to compete with other retailers to lock in locations for our stores or franchisee on a continuous basis. We cannot assure you that we will be able to expand and grow at the rate at which we may desire to, as we may not be able to obtain lease at such locations that we believe will be necessary for implementing our expansion plans and at prices that are viable for our business. If we are not able to obtain the locations at favourable lease rentals or lease period or at the time and place that we desire, the same may have a material adverse impact on our results of operation.

40. Past store sales may not be comparable to and indicative of future store sales.

Various factors affect the sales in our stores or Third Parties Stores including competition, our ability to procure merchandise at appropriate costs, our supply chain and our systems and



processes. These factors will have an influence on existing and future stores and thus past figures of sales may not be true indication of future sales.

41. Our business depends on our ability to maintain consistency in customer service and other operations.

Our ability to maintain consistency in the quality of customer service in our stores is critical to our success. This will depend on our ability to hire the right personnel and also train the new personnel in the implementation of our processes effectively. In addition, the attrition rate of employees is high in the retail industry and in the event we lose employees at a high rate or we cannot recruit fresh talent, our business operations may be adversely affected.

42. Losses on account of shrinkage can negatively impact our profitability

Shrinkage in the retail business is defined as the loss in inventory on account of a combination of employee theft, shoplifting and administrative error. The retail industry the world over is affected by shrinkage. Any increase in shrinkage levels at our existing and future stores can adversely impact results from operations.

EXTERNAL RISK FACTORS

1. Weak economic conditions may have an adverse impact on our Company's business, financial condition and results of operations.

The global credit markets have experienced, and may continue to experience, significant volatility and may continue to have a significant adverse effect on the availability of credit and the confidence of the financial markets, including in India. This volatility has resulted in an industry-wide softening of demand for consumer goods due to a lack of consumer confidence and decreased affordability which has adversely affected the fashion industry and may adversely affect our Company's business, financial condition and results of operations.

Additionally, economic and market conditions can adversely affect the performance of our Company since the revenue generated from fashion/retail business are linked to the consumption abilities of the general public and disposable income available with them. In particular, the decline in the performance of the global and Indian economies as a result of the economic downturn can reduce purchasing power of consumers in general. Restricted availability of credit for consumers and businesses may lead to lower levels of consumer spending.

2. Taxes and other levies imposed by the Government of India or State Governments relating to our Company's business may have a material adverse effect on the demand of our products

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

- a. Custom duty on import of raw material and components
- b. Excise duty on certain raw material and final product
- c. GST/Central and State sales tax / value added tax
- d. These taxes and levies affect the cost of production of apparel and also affects the consumer spends.

An increase in any of these taxes or levies, or the imposition of new taxes or levies in future, may have a material adverse impact on the business, profitability and financial condition of our Company.

3. External events beyond the control of our Company may have a negative impact on the business.

The occurrence of events such as terrorist attack, an outbreak of an infectious disease such as 'swine flu' or any other serious public health concerns, could result in shutting down or deserting

of shopping malls and retail premises. Furthermore, terrorist attacks or war could damage infrastructure or otherwise inhibit or prevent access to the various locations where our Company would have business operations which could discourage general public from visiting malls and other retail venues. Any occurrence of the foregoing events could have an adverse impact on our Company's business, financial condition and/or operating results.

4. Changes in Government policies.

Changes in Government policy, especially further relaxations in FDI policies which may make entry of foreign brands more easily will adversely affect our competitive position. Changes in interest rates, revision of duty structure, changes in tax laws, changes in the textile policies, changes in environmental regulations and emission norms etc. may have an adverse impact on the profitability of our Company. Due to the competitive nature of the market, the cost increases as a result of these changes may not be easily passed on to the customers.

5. Political instability or changes in the Government may delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which may impact our business, financial results and results of operations

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. Since 1991, successive Indian Governments have pursued policies of economic liberalization and financial sector reforms. Although the current Government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous Governments, the rate of economic liberalization may change, and specific laws and policies affecting commodity futures, foreign investment and other matters affecting investment in our securities may change as well. However, there can be no assurance that such policies will be continued. A change in the Government in future may result in a significant change in the Government's policies that may adversely affect business and economic conditions in India and may also adversely affect our business, financial condition and results of operations.

6. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy and can adversely affect our business.

7. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our Company's business.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our Company's financial performance and our ability to obtain financing to fund growth on favourable terms or at all.

8. Financial instability in other countries, particularly emerging market countries, could disrupt our Company's business and affect the price of the Equity Shares.

Although economic conditions are different in each country, investors' reactions to developments in one country may have an adverse effect on the securities of companies in other countries including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including



the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our Company's business, future financial performance, shareholders' equity and the price of the Equity Shares.

9. Currency exchange rate fluctuations may affect the value of the Equity Shares.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar, the British Pound, the Euro, the Emirati Dirham, the Hong Kong Dollar, the Singapore Dollar and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. If the investor purchases Rupees to purchase the Equity Shares, fluctuations in the exchange rate between the foreign currency with which the investor purchased the Rupees may affect the value of the investor's investment in the Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- The foreign currency equivalent of the Rupee trading price of the Equity Shares in India;
- The foreign currency equivalent of the proceeds that the investor would receive upon the sale in India of any of the Equity Shares; and
- The foreign currency equivalent of cash dividends, if any, on the Equity Shares, which will be paid only in Rupees.

The investor may be unable to convert Rupee proceeds into a foreign currency of its choice or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by the devaluation of the Rupee if investors in jurisdictions outside India analyze our Company's value based on the Rupee equivalent of such other currency and the financial condition and results of operations of our Company converted into such foreign currency.

Risks Relating to the Equity Shares

1. There is no prior trading history for the Equity Shares.

Since the Equity Shares have not been previously traded, their market value is uncertain. Following admission, the market price of the Equity Shares may be volatile. Our Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. At the same time, market conditions may affect the price of our Company's Equity Shares regardless of the operating performance of our Company. Stock market conditions are affected by many factors, such as general economic and political conditions, terrorist activity, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards the retail market and the supply and demand of capital.

2. Significant trading volumes of the Equity Shares on the Stock Exchanges on listing could impact the price of our Company's Equity Shares.

Following admission of our Equity Shares for trading on the Stock Exchanges, there may be a period of relatively high volume trading in the Equity Shares. A high volume of sales of our Equity Shares on the Stock Exchanges after admission, or the perception that these sales might occur, could result in volatility in the market price of our Equity Shares.

3. There is no guarantee that dividends will be paid.

There can be no assurances that our Company will pay dividends. Any decline in our Company's operating income could result in distributable profits not being available for payment of dividend which may have an adverse impact on the market price of our Equity Shares.

4. Our Company may raise further rounds of equity financing in which the existing shareholders may not participate resulting in reduction of their percentage of holding in our company.



In order to grow business, our Company may require additional funds at various points of time. Our Company may raise funds through various means including debt, equity and securities convertible into equity. Any such issuances of equity and securities convertible into equity would dilute the holding of Equity Shareholders. Difficult market conditions can adversely affect our business in many ways, including by reducing the volume of the transactions involving our media and advertising business, and these could materially reduce our revenue or income.

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

Pursuant to listing, we will be subject to a daily "circuit breaker" imposed by the Stock Exchanges, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding shareholders ability to sell Equity Shares at any particular time.



SECTION III - SUMMARY

SUMMARY OF INDUSTRY

The Indian Economy

India's GDP growth at over 7% in the last 2 years has been quite high in comparison to other economies. The country's economy has seen only a gentle revival in FY16 (growth of 7.6% vis-à-vis the growth of 7.2% in FY15). The consistent high growth rate has in part been credited to the new methodology used in the calculation of GDP (base year used now is 2011-12). However the growth has been supported by higher growth in manufacturing and the services sector. Agriculture remained lackluster in the last 2 years due to drought conditions.

CARE expects GDP growth to improve further to 7.8% in FY17. This growth is to be bought about chiefly by pick-up in domestic demand and private consumption. The favourable monsoons this year and increase in wage levels post the implementation of the 7th pay Commission would aid the pick-up in consumption. The various initiatives taken by the government are also expected to add to the economic activity, albeit to a limited extent, as these measures being long term in nature would see the benefits accruing over a period of time

The Indian economy can draw considerable comfort from prevailing favorable macro conditions in terms of increase in foreign capital inflows, relatively stable currency, narrowing of trade deficit and growth supportive government policies and initiatives, including the adoption of fiscal discipline. While all these factors should necessarily bolster the economy further, performance across the various segments could continue to be mixed with exports being subdued, limited pick-up in investment demand in specific sectors, limited pick up in private investment and the continued stress in the banking system.

Market Size

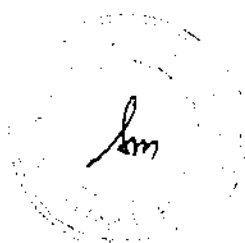
The Indian Retail Industry has emerged as one of the fastest growing industries. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. (Source: IBEF)

The Indian retail industry is estimated at USD 550 billion with apparel constituting around 8% of the total market size i.e. USD 44 billion (Rs.2640 billion). The apparel industry in India can be divided into two segments - "Ready-To-Stitch" ("RTS") and Ready-To-Wear ("RTW"). RTS currently contributes approximately 30 % of the overall apparel industry, but its share is fast declining, with the increasing availability of RTW apparels in various colors, sizes and patterns. Also, the lack of spare time left with consumers to go through the entire process of buying fabric and getting it stitched has helped the RTW segment to grow. Increasing organized retail penetration and popularising mall culture has also led the growth of the RTW segment.

The domestic Indian apparel market can be divided into three broad segments - men's apparels, women's apparels and kid's apparels.

Men's apparel - Men's apparel market size is estimated to be around Rs.1148 billion and contributed approximately 42 % to the overall apparel industry in 2015. It is the most penetrated segment in the domestic apparel market. (Source: India Business of Fashion Report 2016 / Images Group)

Women's apparel - Women's apparel market size is estimated to be around Rs.1024 billion in FY15. Its share in the domestic apparel market is around 38% in 2015. The robust growth in this segment can be attributed to the increase in the consumption of apparels due to the rising income levels, working women and more college going females. Also, the changing consumer preference and easy availability of RTW apparel in various colors, size and patterns as a result of increase in retail services, has enabled this segment to grow at a rate higher than the industry average. (Source: India Business of Fashion Report 2016 / Images Group)



SUMMARY OF BUSINESS

MIL, the Demerged Company had entered into global exclusive Brand License Agreement with "Being Human - The Salman Khan Foundation" on December 23, 2010 effective from January 1, 2011 to use trademark & logo of "Being Human" for all clothes range/clothing lines.

Post approval of Scheme, MIL and The Salman Khan Foundation agreed to terminate the erstwhile Brand License Agreement *vide* Termination Agreement dated August 24, 2016 and simultaneously our Company entered into global exclusive Trademark License Agreement on even date to design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human" trademark until March 31, 2020.

We believe the uniqueness of the brand ethos is the powerful combination of fashion, charity and the well-known celebrity. Due to this uniqueness, the brand "Being Human" stands out globally and differentiates itself amongst the clutter of fashionable brands.

Our exclusive brand outlets are focused on providing a standard elevated shopping experience to customers and are developed after taking into account the store location, the demographic profile of consumers of that area and the store size.

As on September 30, 2016, our Company distributes Being Human Clothing through 537 retail selling points. Our distribution network comprises of 28 company owned exclusive brand outlet, 29 franchisee owned exclusive brand outlet including four overseas stores, 253 point of sales in domestic shop-in-shops forming part of large format stores (LFS) and multi brand outlet (MBOs), 12 distribution partners catering to 220 retailers and 7 online e-commerce selling points. Further, our Company also sells in international markets.

Being Human Clothing business has been conferred with various awards by industry platforms for our contribution to the retail apparel brand industry, elevated consumer experience and service levels. Being Human Clothing business has received several accolades which keep us encouraging viz. "The Most Exciting Apparel Brand" & "Most Exciting Brands" (study by Nielsen, published in Brand Equity - The Economic Times, May 2015); "Promising Brand 2015" (Brand Equity - The Economic Times, 2015); "Apparel Retailer of the Year" (Indian Retail Congress, Delhi, 2014); "Apparel Retailer of the Year" (Franchisee India, 2014); "Licensee of the Year" (Star Retailers Awards, 2014); "Best Unisex Store" (Infiniti 2, 2014); "Most Admired store Unisex Apparel" (Viviana Mall, 2013); and Images Most Admired Fashion Brand Of The Year 2016.

Total Revenue from our Being Human Retail Division for the quarter ended June 30, 2016, Fiscal 2016 and Fiscal 2015 was Rs. 5,391.12 Lacs, Rs. 21,935.59 Lacs and Rs. 17,280.69 Lacs respectively. Profit after Tax from our Being Human Retail Division for the quarter ended June 30, 2016, Fiscal 2016 and Fiscal 2015 was Rs. 920.89 Lacs Rs. 2,141.58 Lacs and Rs. 2,017.01 Lacs respectively.



SUMMARY OF FINANCIAL INFORMATION

The following table sets forth summary audited financial information derived from our audited financial statements as of and for the years ended March 31, 2012, March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 and quarter ended June 30, 2016. The summary of audited financial information presented below should be read in conjunction with the section titled "Financial Information" and "Management's Discussion and Analysis" on page 107 and 133 respectively.

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lacs)

PARTICULARS	AS AT					
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
I. EQUITIES AND LIABILITIES						
Shareholders Fund						
Share Capital	5.00	5.00	5.00	5.00	5.00	5.00
Reserves and Surplus	7,278.92	6,358.03	4,216.45	(8.82)	(8.67)	(8.52)
NETWORTH (A)	7,283.92	6,363.03	4,221.45	(3.82)	(3.67)	(3.52)
Non-Current Liabilities						
Long Term Borrowings	-	212.56	1,212.56	-	-	-
Deferred Tax Liability	29.47	36.88	39.88	-	-	-
Non-Current Liabilities	932.78	895.98	495.40	-	-	-
TOTAL (B)	962.25	1,145.42	1,747.83	-	-	-
Current Liabilities						
Short Term Borrowings	36.12	529.68	1,676.75	4.24	3.74	3.74
Trade Payables	2,492.55	2,961.67	1,228.31	0.17	0.11	0.05
Other Current Liabilities	1,887.43	1,722.54	1,150.82	-	-	-
Short Term Provisions	2,692.21	2,197.38	1,059.77	-	-	-
TOTAL (C)	7,108.31	7,411.27	5,115.65	4.41	3.85	3.79
Total Liabilities D =(A+B+C)	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27
II. ASSETS						
Non-Current Assets						
Fixed Assets						
Tangible Assets	2,417.42	2,421.06	2,146.39	-	-	-
Intangible Assets	45.84	46.80	34.18	-	-	-
Total (E)	2,463.26	2,467.86	2,180.57	-	-	-
Other Non-Current Assets (F)	1,619.00	1,555.87	1,404.54	-	-	-
Current Assets						
Inventories	2,933.24	3,999.57	2,365.94	-	-	-
Trade Receivables	7,900.07	6,748.48	4,706.99	-	-	-
Cash and Cash Equivalents	278.88	18.44	50.42	0.59	0.18	0.27
Short Term Advances	118.36	77.64	153.11	-	-	-
Other Current Assets	41.66	51.85	223.35	-	-	-
Total (G)	11,272.22	10,895.99	7,499.81	0.59	0.18	0.27
Total Assets H =(E+F+G)	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27



SUMMARY STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. in Lacs)

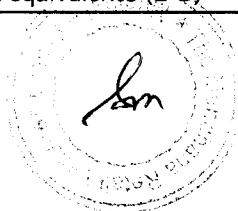
PARTICULARS	AS AT 30.06.2016	For the year ending on:				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Income						
Income from Operations						
Trading	5,371.95	21,812.68	17,188.55	-	-	-
Other Income	19.18	122.90	92.14	-	-	-
Total (A)	5,391.12	21,935.59	17,280.69	-	-	-
Expenditure						
Cost of Sales	2,092.85	11,508.87	7,969.90	-	-	-
Employee Benefit Expenses	450.82	1,867.50	1,340.28	-	-	-
Administrative Expenses	1,300.31	4,541.32	3,544.04	0.15	0.15	8.52
Total (B)	3,843.98	17,917.69	12,854.21	0.15	0.15	8.52
EBIDTA (A-B)	1,547.14	4,017.89	4,426.48	(0.15)	(0.15)	(8.52)
Interest and Financial Charges	49.38	442.79	1,074.62	-	-	-
Profit before depreciation, Tax & Extraordinary Items	1,497.77	3,575.10	3,351.86	(0.15)	(0.15)	(8.52)
Depreciation & Amortization	89.46	298.90	235.21	-	-	-
Profit before Tax & Extraordinary Items	1,408.31	3,276.20	3,116.65	(0.15)	(0.15)	(8.52)
Provision for Taxation						
Current Tax	494.82	1,137.63	1,059.76	-	-	-
Deferred Tax	(7.41)	(3.00)	39.88	-	-	-
Profit after Tax before extraordinary	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Extraordinary Items	-	-	-	-	-	-
Profit after Tax after extraordinary	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Adjustments	-	-	-	-	-	-
Net Profit As Restated	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Appropriations						
Add: Balance brought from previous year	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)	-
Transfer to General Reserve	-	-	-	-	-	-
Provision for Dividend	-	-	-	-	-	-
Balance carried Forward	5,070.67	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)



SUMMARY STATEMENT OF CASH FLOW AS RESTATED

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Cash Flow from Operating Activities						
Profit Before Tax As Per Audited Accounts	1,408.31	3,276.20	3,116.65	(0.15)	(0.15)	(8.52)
Adjustments for:						
Depreciation & Amortization	89.46	298.90	235.21	-	-	-
Finance cost	49.38	442.79	1,074.62	-	-	-
Operating Profit before Working Capital Changes	1,547.14	4,017.89	4,426.48	(0.15)	(0.15)	(8.52)
Adjustments for:						
(Increase) / Decrease in Inventories	1,066.33	(1,633.63)	(2,365.94)	-	-	-
(Increase)/ Decrease in Sundry Debtors	(1,151.59)	(2,041.49)	(4,706.99)	-	-	-
(Increase)/ Decrease in Loans & Advances	(30.53)	246.97	(376.46)	-	-	-
Increase/(Decrease) in Sundry Creditors	(469.12)	1,733.36	1,228.14	0.05	0.05	0.05
Increase/(Decrease) in Other Liabilities	(328.67)	(575.35)	2,827.57	-	-	-
Cash Generated from Operations	633.56	1,747.75	1,032.80	(0.10)	(0.10)	(8.47)
Tax Paid	-	-	-	-	-	-
Net Cash Flow from Operating Activities (A)	633.56	1,747.75	1,032.80	(0.10)	(0.10)	(8.47)
Cash Flow from Investing Activities						
Purchase of fixed Assets	(84.86)	(586.19)	(2,415.79)	-	-	-
Deposit to Vendors	(63.13)	(151.33)	(1,404.54)	-	-	-
Net Cash Flow from Investing Activities (B)	(147.98)	(737.52)	(3,820.33)	-	-	-
Cash Flow from Financing Activities						
Proceeds from Issue of Share Capital	-	-	-	-	-	5.00
Proceeds from Long Term Borrowings	(212.56)	(1,000.00)	1,212.56	-	-	-
Increase in Capital Reserves	-	-	2,208.26	-	-	-
Increase in Non-Current Liabilities	36.80	400.59	491.15	0.50	-	3.74
Interest Paid	(49.38)	(442.79)	(1,074.62)	-	-	-
Net Cash Flow from Financing Activities (C)	(225.14)	(1,042.20)	2,837.35	0.50	-	8.74
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	260.44	(31.97)	49.83	0.42	(0.10)	0.27
Cash & Cash Equivalents at the beginning of the Year (D)	18.44	50.42	0.59	0.17	0.27	-
Cash & Cash Equivalents at the End of the Year (E)	278.88	18.44	50.42	0.59	0.17	0.27
Net (Decrease) / Increase in cash and cash equivalents (E-D)	260.44	(31.97)	49.83	0.42	(0.10)	0.27



SALIENT FEATURES OF THE SCHEME

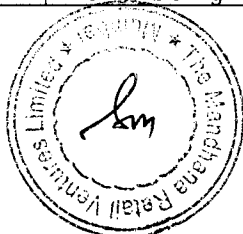
The Hon'ble High Court of Judicature at Bombay pursuant to its order dated March 29, 2016 ("Order") sanctioned the Scheme of Arrangement in the nature of Demerger of the Being Human Retail Division of Mandhana Industries Limited to Mandhana Retail Ventures Limited ("Scheme"). The Order was filed with the Registrar of Companies, Mumbai on March 31, 2016 (after close of business hour) and the Scheme became effective from April 1, 2016, appointed date being April 1, 2014.

- i. This Scheme provides for the transfer by way of a demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company, the consequent issue of the securities by the Resulting Company to the shareholders of the Demerged Company and on a proportionate basis in consideration of the transfer and vesting of the Demerged Undertaking in the Resulting Company.
- ii. The separation of the Retail Business, by way of Scheme, including its business, undertaking and investments from the Demerged Company will lead to significant benefits for both businesses including:-
 - (a) Enhanced strategic flexibility to build a vibrant industrial platform;
 - (b) Enable a dedicated management focus and to accelerate growth of the Retail Business; and
 - (c) Access to varied sources of funds for the rapid growth of both businesses.
- iii. With a view to achieve the aforesaid growth potential, the Demerged Company proposes to re-organize and segregate, by way of the Scheme, its business, undertaking and investments in the Retail Business. The restructuring proposed by this Scheme will also provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.
- iv. The Scheme does not have any adverse effect on either the shareholders or the employees or the creditors of the Demerged Company.
- v. The demerger under this Scheme will be affected under the provisions of Sections 391 to 394 read with Section 101 to 103 and other relevant provisions of the Act. The demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company shall comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961 such that:
 - a. All the properties of the Demerged Undertaking being transferred by the Demerged Company, as on the Appointed Date shall become the properties of the Resulting Company by virtue of this Scheme;
 - b. All the liabilities of the relatable to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;
 - c. The properties and the liabilities relatable to the Demerged Undertaking being transferred by the Demerged Company shall be transferred to the Resulting Company at values appearing in the books of account of the Demerged Company immediately before the Demerger;
 - d. The Resulting Company shall issue, in consideration of the Demerger, securities to the shareholders of the Demerged Company on a proportionate basis;
 - e. The shareholders holding not less than 3/4ths (three fourths) in value of the shares in the Demerged Company will become the shareholders of the Resulting Company (i.e. holders of securities) by virtue of the Demerger;
 - f. The transfer of the Demerged Undertaking shall be on a going concern basis.
- vi. The Scheme shall be in compliance with the applicable guidelines issued by the Securities and Exchange Board of India including particularly the circular being CIR/CFD/DIL/5/2013 dated 4th February 2013 and circular CIR/CFD/DIL/8/2013 dated 21st May, 2013 and any subsequent amendments thereof (collectively referred to as "SEBI Circulars").



Sequence of events of Scheme of Arrangement:

Sr. No	Events	Date of Events
1.	The Board of Directors of the Petitioner Company sanctioned the Scheme of Arrangement	November 22, 2014
2.	The Board of Directors of the Resulting Company sanctioned the Scheme of Arrangement	November 22, 2014
3.	The Petitioner Company received the no-objection certificate from Bombay Stock Exchange of India Limited	September 11, 2015
4.	The Petitioner Company received the no-objection certificate from National Stock Exchange of India Limited	September 14, 2015
5.	The Petitioner Company files the Company Summons For Direction under sections 391 to 394 read with sections 100 to 103 of the Companies Act, 1956, for convening the meeting of the Equity Shareholders and dispensing with the meeting of Secured and Unsecured Creditors	October 01, 2015
6.	Special Resolution passed by MRVL for reduction of its share capital pursuant to the Scheme	October 14, 2015
7.	The Company Summons for Direction was made absolute by the Hon'ble High Court.	October 16, 2015
8.	The Petitioner Company dispatches the notice and explanatory statement for the Court Convened meeting to the equity shareholders by registered post AD/speed post along with e-mail to those shareholders who have registered their e-mail addresses with the depositories or with the Petitioner Company ("Eligible E-mail Shareholders")	October 26, 2015
9.	The Petitioner Company publishes the notice sent to equity shareholders for convening the court convened meeting in the Free Press Journal in English Language	October 29, 2015
10.	The Petitioner Company publishes the notice sent to equity shareholders for convening the court convened meeting in the Navshakti in Marathi language.	October 30, 2015
11.	The Petitioner Company dispatched the notice an explanatory statement for the Court Convened meeting to the Eligible E-mail Shareholders by registered post AS/speed post.	November 04, 2015
12.	The Petitioner Company holds the Court Convened meeting of equity shareholders where the equity shareholders approve the Scheme of Arrangement by way of resolution passed by the majority in number and value.	November 27, 2015
13.	The Chairman of the Court Convened meeting of equity shareholders files the report of the result of the Court Convened meeting of equity shareholders in the Hon'ble High Court.	December 01, 2015
14.	The Company files the Company Scheme Petition under sections 391 to 394 read with sections 100 to 103 of the Companies Act, 1956, for obtaining the confirmation of this Hon'ble Court.	December 05, 2015
15.	The Company Scheme Petition was admitted by the Hon'ble High Court of Bombay with direction to dispatch the notice of final hearing to the statutory authorities, all the Secured Creditors and the Unsecured Creditors having outstanding balance of Rs. 15 lacs and above and publish the same in newspapers.	February 11, 2016
16.	The notice of final hearing was dispatched to the following authorities: Central Government, Assessing Officer, Registrar of Companies and Regional Director for obtaining its sanction to the Scheme.	February 11, 2016
17.	Form GNL-1 filed by Mandhana Industries Limited and the Resulting Company intimating the admission of the Company Scheme Petition.	February 11, 2016
18.	Date of final hearing was published in newspapers, Free Press Journal (English) and Navshakti (Marathi)	February 23, 2016
19.	Notice of final hearing dispatched to all Secured Creditors and Unsecured Creditors having outstanding balance of Rs. 15 lacs and above.	February 24, 2016
20.	Affidavit of service filed in the Hon'ble High Court at Bombay by Mandhana Industries Limited and the Resulting Company for proof of dispatch of notice to the statutory authorities, Secured and Unsecured Creditors and publication of the notice in the local newspapers	February 29, 2016
21.	The Hon'ble High Court of Bombay sanctioned the Scheme of Arrangement	March 29, 2016



Sr. No	Events	Date of Events
22.	Certified copy of Order of the Hon'ble High Court of Bombay sanctioning the Scheme of Arrangement was filed with the Registrar of Companies, Mumbai, Maharashtra	March 31, 2016
23.	Intimation to BSE and NSE of the sanction of the scheme by the Bombay high court	April 1, 2016
24.	The Resulting Company published the notice of registration of the court order and form of minutes confirming the reduction of its share capital from Rs. 22,13,26,090/- to Rs. 22,08,26,090/- in the newspapers and Maharashtra Gazette.	April 7, 2016
25.	Certified copy of Order of the Hon'ble High Court of Bombay sanctioning the Scheme of Arrangement along with the other documents pursuant to the requirement of Para II of Part B of SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013, SEBI Circular no. CIR/CFD/DIL/8/2013 dated 21st May, 2013 and Para II of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated 30th November, 2015 were submitted to BSE Limited and National Stock Exchange of India Limited	April 13, 2016
26.	Letter received from BSE Limited, the Designated Stock Exchange intimating about confirmation of the SEBI on the Scheme of Arrangement	April 26, 2016
27.	Stamp Duty of an amount of Rs. 15,45,600 paid by the Resulting Company on the court order sanctioning the scheme	June 24, 2016
28.	The Managing Committee of Board of Directors of Mandhana Industries Limited fixed the Record Date of September 23, 2016 for determining the members of the Demerged Company to whom the securities of Resulting Company will be allotted pursuant to the Scheme of Demerger.	September 6, 2016
29.	Record Date for determining the members of the Demerged Company to whom the securities of Resulting Company will be allotted pursuant to the Scheme of Demerger	September 23, 2016
30.	Board Resolution approving allotment of shares	September 27, 2016
31.	Credit of Shares by CDSL	October 4, 2016
32.	1) Credit of Shares by NSDL; and 2) Dispatch of Share Certificates	October 5, 2016
33.	Dispatch of Share Certificates against CDSL and NSDL rejections	October 8, 2016



GENERAL INFORMATION

Our Company was incorporated as 'Mandhana Retail Ventures Limited' vide Certificate of Incorporation dated February 12, 2011 by the Registrar of Companies, Maharashtra and obtained the Certificate of Commencement of Business on April 9, 2011 under the Companies Act, 1956. Our Company's name was changed to 'The Mandhana Retail Ventures Limited' vide a fresh certificate of incorporation consequent to change of name dated September 26, 2016 by the Registrar of Companies, Maharashtra under the Companies Act, 2013.

Registered Office of our Company
Plot number E -132, MIDC, Tarapur Industrial Area,
Boisar, Palghar – 401 506, Maharashtra, India
Tel No.: +91-2525-697301 to 306

Corporate Office of our Company
006-008, Peninsula Centre,
Dr. S.S. Rao Road, Parel,
Mumbai – 400 012, Maharashtra, India
Tel No.: + 91-22-4353 9191;
Fax No.: + 91-22-4353 9216

Our Company is registered with the Registrar of Companies, Maharashtra and Corporate Identification Number is U52390MH2011PLC213349.

The address of the RoC is as follows:
Registrar of Companies, Mumbai
Everest Building, 100, Marine Drive,
Mumbai – 400 002, Maharashtra, India

Company Secretary & Compliance Officer
Mr. Virendra Varma,
006-008, Peninsula Centre,
Dr. S.S. Rao Road, Parel,
Mumbai – 400 012, Maharashtra, India
Tel No.: + 91-22-4353 9191;
Fax No.: + 91-22-4353 9358
Email ID: cs@mandhanaretail.com
Investor Designated E-mail ID: cs@mandhanaretail.com
Website: www.mandhanaretail.com

Investors can contact the Compliance Officer and / or the Registrar & Transfer Agent i.e. Mr. Virendra Varma and / or Link Intime India Private Limited in case of any post-issue problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Statutory Auditors of our Company
Vishal H. Shah & Associates,
Chartered Accountants
A-302, Kailas Esplanade,
LBS Marg, Opp. Shreyas Cinema,
Ghatkopar West, Mumbai – 400086,
Maharashtra, India
Tel No.: +91 22 32516269
E-mail: vishalhs@rediffmail.com
Firm Registration No: 116422W



Bankers to our Company

Corporation Bank
Veena Chambers, Dalal Street,
Mumbai - 400 023
Tel: +91-22-2270 4925
Fax: +91-22-2267 2101
Contact Person: Mr. Chandan
Email id: cb0024@corpbank.co.in

Kotak Mahindra Bank Limited
Veer Mahal CHSL, Ground Floor,
Dr. Babasaheb Ambedkar Road,
Parel, Mumbai - 400012
Tel: +91-22-6599 1985
Contact Person: Mr. Saurabh Pradhan
Email id: saurabh.pradhan@kotak.com

Axis Bank Limited
Ground floor, Center Point,
Dr. Babasaheb Ambedkar Marg,
Parel, Mumbai - 400 012
Tel: +91-22-2418 0074
Contact Person: Mr. Anil Nayak
Email id: parel.branchhead@axisbank.com

HDFC Bank Limited
Shapoorji Pallonji Building,
Dr. Shirodkar Marg,
Mumbai 400012,
Tel: +91-22-61606161
Contact Person: Ms. Bhairavi S Banare
Email id: bhairavi.banare@hdfcbank.com

State Bank of India
Gresham House,
Ground Floor, Sir PM Road,
Fort, Mumbai - 400 001
Tel: +91-22-2262 4308
Contact Person: Mr. Tyagraju
Email id: sbi.60113@sbi.co.in

Note: The credit facilities have been apportioned between MIL & MRVL as per the Scheme and the process of transfer of the said facilities is in progress.

Authority of Listing

The Hon'ble High Court of Judicature at Bombay, *vide* its order dated March 29, 2016 (filed with the ROC on March 31, 2016), has approved the Scheme of Arrangement between Mandhana Industries Limited ("Demerged Company") and Mandhana Retail Ventures Limited ("Resulting Company") and their respective shareholders and creditors effective from April 1, 2016 (the Effective Date). For more details relating to the Scheme and Demerger, please refer to the chapter titled "Salient Features of the Scheme" beginning on page no. 31 of this Information Memorandum. In accordance with the Scheme, the Demerged Undertaking stands transferred to and vested with Mandhana Retail Ventures Limited w.e.f. April 1, 2014 (the Appointed Date) pursuant to Section 391 to 394 read with Section 100 to 103 of the Companies Act, 1956. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE and also subject to such other terms and conditions as prescribed by BSE and NSE at the time of application by our Company seeking listing.



Eligibility Criterion

There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations 2009 do not become applicable. However, SEBI has vide its letter no. CFD/DIL-III/NR/AEA/OW/2016/32282 dated November 28, 2016, granted relaxation of clause (b) to sub-rule (2) of rule 19 thereof by making an application to SEBI under sub-rule (7) of rule 19 of the SCRR as per the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. Our Company has submitted the Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE for making the said Information Memorandum available to public through their websites www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website www.mandhanaretail.com. Our Company has published an advertisement in the newspapers containing the details as per the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with CIR/CFD/CMD/16/2015 dated November 30, 2015. The advertisement has drawn specific reference to the availability of this Information Memorandum on the website.

Issue and Allotment of share certificates

Our Company has issued and allotted Equity Shares pursuant to the Scheme on September 27, 2016.

All those eligible shareholders who held MIL Equity Shares in dematerialized form, the Equity Shares of the Resulting Company have been credited into their demat account with the Depository Participant in which the Equity Shares of MIL were held. All those eligible shareholders who held MIL Equity Shares of the Demerged Company in physical form, the Resulting Company has issued equity shares in physical form to such eligible shareholder.

Fractional Entitlements

In case any member's shareholding in the Demerged Company is such that such member becomes entitled to a fraction of one Equity Share of the Resulting Company, the Resulting Company shall not issue fractional share certificate to such member and shall consolidate such fractions and issue the consolidated Equity Shares to a trustee nominated by the Board of the Demerged Company in that behalf, who shall sell and distribute the net sale proceeds (after deduction of the expenses incurred) to such members in proportion to their respective fractional entitlements. During consolidation of the fractional entitlements, if the sum of such fractional entitlements is not a whole integer, the Resulting Company shall issue such additional fractional Equity Share to the trustee, such that the total Equity Shares so issued shall be rounded off to the next whole integer. The issue of the fractional share by the Resulting Company to the trustee shall form an integral part of the consideration to be paid under the Scheme and that no separate process as may be applicable under the Act, to that extent, shall be required to be followed by the Resulting Company.

Mr. Virendra Varma, the Company Secretary and Compliance Officer of our Company is vested with responsibility of addressing the Investor Grievance in coordination with Registrar & Transfer Agents.

Investors can contact the Compliance Officer and/or the Registrar & Transfer Agents for any investor grievances.

Registrar & Transfer Agents
Mr. Ajay Jadhav
Link Intime (India) Pvt. Ltd.
C-13, Pannalal Silk Mills Compound L. B. S.
Marg, Bhandup (West) Mumbai - 400 078,
Maharashtra, India
Tel: +91-22-2596 3838
Fax: +91-22-2594 6969
E-mail: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

Compliance Officer
Mr. Virendra Varma
006-008, Peninsula Centre,
Dr. S.S. Rao Road, Parel,
Mumbai - 400 012, Maharashtra, India
Tel No.: + 91-22-4353 9191;
Fax No.: + 91-22-4353 9358
Email ID: cs@mandhanaretail.com
Investor Designated E-mail ID: cs@mandhanaretail.com
Website: www.mandhanaretail.com



CAPITAL STRUCTURE

The Capital Structure of our Company as on March 31, 2014 Pre Scheme of Arrangement of Demerger

Particulars	Aggregate Nominal Value (Rs.)
Authorized share capital (10,000,000 equity shares of Rs. 10 each)	100,000,000
Issued, Subscribed and paid-up share capital (50,000 equity shares of Rs. 10 each)	500,000

The Capital Structure of our Company- Post Scheme of Arrangement of Demerger

Particulars	Aggregate Nominal Value (Rs.)
Authorized share capital (30,000,000 equity shares of Rs. 10 each)	300,000,000
Issued, Subscribed and paid-up share capital (22,082,609 equity shares of Rs. 10 each)	220,826,090

NOTES TO THE CAPITAL STRUCTURE:

- Details of changes in the Authorised Share Capital of our Company

The authorised share capital has increased to Rs. 30,00,00,000/- divided into 3,00,00,000 equity shares of Rs.10/- each from Rs. 100,000,000/- divided into 10,000,000 equity shares of Rs.10/- each, pursuant to the approval by the members of our Company at their Extra-ordinary General Meeting held on January 19, 2015.

- Details of capital built-up of our Company since inception are as follows:

Date of allotment	No. of shares allotted	Cumulative number of shares	Face value (Rs.)	Cumulative amount	Particulars	Amount
May 26, 2011	50,000	50,000	10.00	5,00,000	Subscription to Memorandum	500,000.00
September 27, 2016	(50,000)	0	10.00	0	Cancelled pursuant to Court Order*	0.00
September 27, 2016	22,082,609	22,082,609	10.00	220,826,090	Allotment pursuant to Court Order	Other than Cash

*Initial issued and paid up equity share capital of Mandhana Retail Ventures Limited, comprising of 50,000 equity shares of Rs. 10/- each, aggregating to Rs. 500,000/-, as held by promoters and promoter group stands cancelled pursuant to the Scheme.

- Equity shares have been allotted in terms of Scheme approved under sections 391-394 of the Companies Act, 1956. Details of the Scheme have been provided at page 31 of this Information Memorandum.
- Our Company presently does not intend or propose to alter the capital structure 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 on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.



5. Capital build-up of Promoters as on date of filing this Information Memorandum:

As on the date of this Information Memorandum, Our Promoters and Our Promoter Group, collectively hold 12,714,052 Equity Shares, equivalent to 57.58% of the issued, subscribed and paid-up Equity Share capital of our Company and out of the above 8,339,589 Equity Shares held by our Promoters and our Promoter Group are pledged.

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

Name of the Promoter	Nature of issue	Date of allotment	Number of shares	Face value	Issue price/ consideration	Date when the shares were made fully paid up*	Percentage of the total pre and post issue capital	The lock in period, if any	Number and percentage of pledged shares, if any
Mr. Purushottam C. Mandhana	Allotment pursuant to Court Order	September 27, 2016	1,426,454	10.00	Other than cash	NA	6.46%	NA	1,333,333 shares i.e. 93.47% of shareholding are pledged
Mr. Biharilal C. Mandhana	Allotment pursuant to Court Order	September 27, 2016	1,134,709	10.00	Other than cash	NA	5.14%	NA	1,099,667 shares i.e. 99.91% of shareholding are pledged
Mr. Manish B. Mandhana	Allotment pursuant to Court Order	September 27, 2016	1,498,431	10.00	Other than cash	NA	6.79%	NA	1,386,207 shares i.e. 92.51% of shareholding are pledged
Mr. Priyavrat P. Mandhana	Allotment pursuant to Court Order	September 27, 2016	1,313,873	10.00	Other than cash	NA	5.95%	NA	947,805 shares i.e. 72.14% of shareholding are pledged
M/s Purushottam C. Mandhana (HUF)	Allotment pursuant to Court Order	September 27, 2016	2,013,732	10.00	Other than cash	NA	9.12%	NA	1,033,333 shares i.e. 51.31% of shareholding are pledged

*Shares were fully paid up at the time of issue

6. Aggregate Shareholding of our Promoters and Promoter Group in our Company after allotment of shares pursuant to the Scheme:

Sr. No.	Name of Shareholder(s)	Details of the Shareholding	
		Number of shares held	Percentage of shareholding
Promoters			
1	Mr. Purushottam C. Mandhana	1,426,454	6.46%
2	Mr. Biharilal C. Mandhana	1,134,709	5.14%
3	Mr. Manish B. Mandhana	1,498,431	6.79%
4	Mr. Priyavrat P. Mandhana	1,313,873	5.95%
5	M/s Purushottam C. Mandhana (HUF)	2,013,732	9.12%
Sub Total		7,387,199	33.46%
Promoter Group Individuals/HUFs			
1	Biharilal C Mandhana (HUF)	731,999	3.31%
2	Sudha Biharilal Mandhana	524,324	2.37%
3	Prema P Mandhana	1,463,739	6.63%
4	Manish Biharilal Mandhana (HUF)	279,333	1.26%
5	Sangeeta Manish Mandhana	183,606	0.83%
6	Arnav Manish Mandhana	542,666	2.46%
7	Muskaan Manish Mandhana	273,333	1.24%
8	Vinay Biharilal Mandhana	319,333	1.45%
9	Chanda Shyamsunder Jaju	6,666	0.03%
10	Bhagwati Madanlal Chandak	1,333	0.01%
11	Tulsabai Vasantlal Chandak	1,333	0.01%
12	Shakuntala R Dargad	666	0.00%
Sub Total		4,328,331	19.60%
Promoter Group Companies			
1	Mahan Synthetic Textiles Pvt. Ltd.	998,522	4.52%
Total		12,714,052	57.58%

7. Our Promoters, Our Promoter Group, Our Directors and their immediate relatives have not purchased or sold any equity shares of The Mandhana Retail Ventures Limited within six months immediately preceding the date of filing of this Information Memorandum.
8. Our Promoters, Our Promoter Group, Our Directors and their immediate relatives have not financed the purchase by any other person of our equity shares during the period of six months immediately preceding the date of filing of this Information Memorandum.
9. Promoters' Contribution and lock-in of Equity Shares: Since as part of the Scheme, entire pre-merger share capital of our Company has been cancelled, requirements of Promoters' Contribution and lock-in of Equity Shares is not applicable to us.
10. Our Company, Our Promoters and our Directors have not entered into any buy-back, standby or similar arrangements to purchase equity shares of our Company from any person.
11. Shareholding pattern of The Mandhana Retail Ventures Limited pre Scheme: The entire pre-Scheme equity share capital consisting of 50,000 equity shares was held by Promoter & Promoter Group of our Company.
12. Shareholding pattern of The Mandhana Retail Ventures Limited post the allotment of the shares under the Scheme as on September 27, 2016:



Table 1 - Summary Statement holding of specified securities

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)	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 % total Shares held (b)	No. (a)	As a % total Shares held (b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	33	12,714,052	-	-	12,714,052	57.58	12,714,052	-	12,714,052	57.58	-	57.58	-	-	8,339,581	65.59	12,714,052
(B)	Public	7,888	9,368,557	-	-	9,368,557	42.43	9,368,557	-	9,368,557	42.42	-	42.42	-	-	NA	NA	9,368,557
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Total	7,721	22,082,609	-	-	22,082,609	100.00	22,082,609	-	22,082,609	100	-	100	-	-	8,339,581	37.77	22,077,848



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group																			
	Category & Name of the Shareholders	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 % (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 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)	
									Class: X	Class: Y	Total								
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)				(x)	(xi) = (viii)+(x) As a % of (A+B+C2)	(xii)		(xiii)		(xiv)
1	Indian																		
(a)	Individuals / Hindu Undivided Family		32	11,715,530	-	-	11,715,530	53.05	11,715,530	-	11,715,530	53.05	-	53.05	-	-	7,639,581	65.21	11,715,530
	Purusottam Chhaganlal Mandhana		2	2,013,732	-	-	2,013,732	8.12	2,013,732	-	2,013,732	8.12	-	8.12	-	-	1,033,332	51.31	2,013,732
	Marish Bhanlal Mandhana		3	1,498,431	-	-	1,498,431	6.79	1,498,431	-	1,498,431	6.79	-	6.79	-	-	1,386,206	92.51	1,498,431
	Preme P Mandhana		3	1,463,739	-	-	1,463,739	6.63	1,463,739	-	1,463,739	6.63	-	6.63	-	-	719,332	49.14	1,463,739
	Purusottam Chhaganlal Mandhana		3	1,426,454	-	-	1,426,454	6.46	1,426,454	-	1,426,454	6.46	-	6.46	-	-	1,333,333	93.47	1,426,454
	Priyavrat P Mandhana		3	1,313,873	-	-	1,313,873	5.95	1,313,873	-	1,313,873	5.95	-	5.95	-	-	947,803	72.14	1,313,873
	Bhanlal Chhaganlal Mandhana		3	1,134,709	-	-	1,134,709	5.14	1,134,709	-	1,134,709	5.14	-	5.14	-	-	1,099,666	96.91	1,134,709
	Bhanlal C Mandhana		2	731,999	-	-	731,999	3.31	731,999	-	731,999	3.31	-	3.31	-	-	666,666	91.07	731,999
	Arnav Marish Mandhana		1	542,666	-	-	542,666	2.46	542,666	-	542,666	2.46	-	2.46	-	-	-	-	542,666
	Sudha Bhanlal Mandhana		3	524,324	-	-	524,324	2.37	524,324	-	524,324	2.37	-	2.37	-	-	150,000	28.63	524,324
	Vinay Bhanlal Mandhana		1	319,333	-	-	319,333	1.45	319,333	-	319,333	1.45	-	1.45	-	-	-	-	319,333
	Marish Bhanlal Mandhana		1	279,333	-	-	279,333	1.26	279,333	-	279,333	1.26	-	1.26	-	-	223,333	79.95	279,333
	Muskan Marish Mandhana		1	273,333	-	-	273,333	1.24	273,333	-	273,333	1.24	-	1.24	-	-	-	-	273,333



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group																		
Category & Name of the Shareholders	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 % (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 Total Voting Rights			No. (a)	As a % total Shares held (b)	No. (a)	As a % total Shares held (b)	
								Class: X	Class: Y	Total								
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) - (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)				(x)	(xi) - (vii)+(x) As a % of (A+B+C2)	(xii)		(xiii)		(xiv)
Sangeeta Manish Mandhana		2	183,606	-	-	183,606	0.83	183,606	-	183,606	0.83	-	0.83	-	-	79,820	43.47	183,606
Chanda Shyamunder Jaju		1	6,666	-	-	6,666	0.03	6,666	-	6,666	0.03	-	0.03	-	-	-	-	6,666
Bhagwati Madanlal Chendak		1	1,333	-	-	1,333	0.01	1,333	-	1,333	0.01	-	0.01	-	-	-	-	1,333
Tulsabai Vasantlal Chendak		1	1,333	-	-	1,333	0.01	1,333	-	1,333	0.01	-	0.01	-	-	-	-	1,333
Shakuntala R Dargad		1	666	-	-	666	0.00	666	-	666	0.00	-	0.00	-	-	-	-	666
(b) Central Government / State Government(s)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Financial Institutions / Banks		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Any Other (Specify)		1	998,522	-	-	998,522	4.52	998,522	-	998,522	4.52	-	4.52	-	-	700,000	70.10	998,522
Bodies Corporate		1	998,522	-	-	998,522	4.52	998,522	-	998,522	4.52	-	4.52	-	-	700,000	70.10	998,522
Mahan Synthetic Textiles Pvt Ltd		1	998,522	-	-	998,522	4.52	998,522	-	998,522	4.52	-	4.52	-	-	700,000	70.10	998,522
Sub Total (A)(1)		33	12,714,052	-	-	12,714,052	57.58	12,714,052	-	12,714,052	57.58	-	57.58	-	-	8,339,581	65.59	12,714,052
2 Foreign																		
(a) Individuals (Non-Resident Individuals / Foreign Individuals)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Government		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Table II : STATEMENT SHOWING SHAREHOLDING PATTERN OF THE PROMOTER AND PROMOTER GROUP																		
Category & Name of the Shareholders	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 % (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 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)
								Class: X	Class: Y	Total								
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)			(x)	(xi) = (viii)+(x) As a % of (A+B+C2)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	
(c) Institutions		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d) Foreign Portfolio Investor		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e) Any Other (Specify)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub Total (A)(2)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Shareholding Of Promoter And Promoter Group (A) = (A)(1)+(A)(2)		33	12,714,052	-	-	12,714,052	57.68	12,714,052	-	12,714,052	57.58	57.58	-	-	8,339,581	65.58	12,714,052	

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note:

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



Table III - Statement showing shareholding pattern of the Public shareholder

	Category & Name of the 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)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Total 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 Total Voting Rights			No. (a)	As a % total Shares held (b)	No. (a)	As a % total Shares held (b)	
									Class: X	Class: Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) - (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
1	Institutions																		
(a)	Mutual Fund																NA	NA	
(b)	Venture Capital Funds																NA	NA	
(c)	Alternate Investment Funds																NA	NA	
(d)	Foreign Venture Capital Investors																NA	NA	
(e)	Foreign Portfolio Investor		4	74,557	-	-	74,557	0.34	74,557	-	74,557	0.34	-	0.34	-	-	NA	NA	74,557
(f)	Financial Institutions / Banks		2	460,098	-	-	460,098	2.08	460,098	-	460,098	2.08	-	2.08	-	-	NA	NA	460,098
	Life Insurance Corporation Of India			438,887	-	-	438,887	1.99	438,887	-	438,887	1.99	-	1.99	-	-	NA	NA	438,887
(g)	Insurance Companies																NA	NA	
(h)	Provident Funds / Pension Funds																NA	NA	
(i)	Any Other (Specify)																NA	NA	
	Sub Total (B)(1)		6	534,655	-	-	534,655	2.42	534,655	-	534,655	2.42	-	2.42	-	-	NA	NA	534,655
2	Central Government/ State Government(s) / President of India																		
	Sub Total (B)(2)																NA	NA	



Table III - Statement showing shareholding pattern of the Public shareholder

Table III - Statement showing shareholding pattern of the Public Shareholder																		
Category & Name of the 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)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total 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 by Depository Receipts
								No. of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % total shares held (b)	No. (c)	As a % total Shares held (d)	
								Class: X	Class: Y	Total								
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)				(x)	(xi)	(xii)		(xiii)		(xiv)
3 Non-Institutions																		
(a) Individuals																		
i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		6,954	2,345,516	-	-	2,345,516	10.62	2,345,516	-	2,345,516	10.62	-	10.62	-	-	NA	NA	2,340,755
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		30	1,801,926	-	-	1,801,926	8.16	1,801,926	-	1,801,926	8.16	-	8.16	-	-	NA	NA	1,801,926
Nimish Chandral Shah			237,000	-	-	237,000	1.07	237,000	-	237,000	1.07	-	1.07	-	-	NA	NA	237,000
(b) NBFCs registered with RBI			-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c) Employee Trusts			-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(d) Overseas Depositors (holding DRs) (balancing figure)			-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e) Any Other (Specify)		696	4,651,127	-	-	4,651,127	21.06	4,651,127	-	4,651,127	21.06	-	21.06	-	-	NA	NA	4,651,127
Hindu Undivided Family		202	406,789	-	-	406,789	1.84	406,789	-	406,789	1.84	-	1.84	-	-	NA	NA	406,789
Non Resident Indians (Non Repat)		22	9,949	-	-	9,949	0.05	9,949	-	9,949	0.05	-	0.05	-	-	NA	NA	9,949
Non Resident Indians (Repat)		78	82,030	-	-	82,030	0.37	82,030	-	82,030	0.37	-	0.37	-	-	NA	NA	82,030
Directors (s)		2	35,333	-	-	35,333	0.16	35,333	-	35,333	0.16	-	0.16	-	-	NA	NA	35,333



Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the 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)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total 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 Total Voting Rights	No. (a)	As a % total Shares held (b)	No. (a)		As a % total Shares held (b)
								Class: X	Class: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV) + (V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
Clearing Member		161	633,773	-	-	633,773	2.87	633,773	-	633,773	2.87	-	2.87	-	-	NA	NA	633,773
Bodies Corporate		233	3,518,586	-	-	3,518,586	15.93	3,518,586	-	3,518,586	15.93	-	15.93	-	-	NA	NA	3,518,586
Arnold Holdings Limited			533,170	-	-	533,170	2.41	533,170	-	533,170	2.41	-	2.41	-	-	NA	NA	533,170
Olympus Trading And Advisory LLP			340,400	-	-	340,400	1.54	340,400	-	340,400	1.54	-	1.54	-	-	NA	NA	340,400
Win Sure Trade Invest Private Limited			263,333	-	-	263,333	1.19	263,333	-	263,333	1.19	-	1.19	-	-	NA	NA	263,333
Sub Total (B)(3)		7,682	8,833,902	-	-	8,833,902	40.00	8,833,902	-	8,833,902	40.00	-	40.00	-	-	NA	NA	8,833,902
Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)		7,688	9,368,557	-	-	9,368,557	42.43	9,368,557	-	9,368,557	42.43	-	42.43	-	-	NA	NA	9,368,557

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

No. of shareholders	No. of Shares
NIL	

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note:

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to disclose name of all holders holding more than 1% of total number of shares.
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																			
	Category & Name of the Shareholders	PAN	Nos. of shareholder	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)	Total 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 by the Shareholder as a % of total shares held
									No of Voting Rights			Total as a % of Total Voting Rights			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class: X	Class: Y	Total								
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)				(x)	(xi) = (viii)+(x) As a % of (A+B+C2)	(xii)		(xiii)		(xiv)
1	Custodian/DR Holder																		
2	Employee Benefit Trust (under SEBI (Share Based Employee Benefit) Regulations, 2014)																NA	NA	
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)																NA	NA	

Note:

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to disclose name of all holders holding more than 1% of total number of shares.
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.



13. 8,339,589 equity shares of our Company held by our Promoters and our Promoter Group are pledged or otherwise encumbered.
14. The list of top 10 shareholders of our Company and the number of equity shares held by them are set forth:

a. Top ten shareholders as on the date of this Information Memorandum are as follows:

Sr. No.	Name of the Shareholder	No. of shares	% of total shares
1.	Purushottam C. Mandhana HUF	2,013,732	9.12%
2.	Mr. Manish B. Mandhana	1,498,431	6.79%
3.	Ms. Prema P. Mandhana	1,463,739	6.63%
4.	Mr. Purushottam C. Mandhana	1,426,454	6.46%
5.	Mr. Priyavrat P. Mandhana	1,313,873	5.95%
6.	Mr. Biharilal C. Mandhana	1,134,709	5.14%
7.	Mahan Synthetic Textiles Pvt. Ltd.	998,522	4.52%
8.	Biharilal C. Mandhana HUF	731,999	3.31%
9.	Mas. Arnav M. Mandhana	542,666	2.46%
10.	Arnold Holdings Limited	533,170	2.41%
Total		11,657,295	52.79%

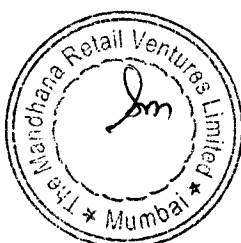
b. Top ten shareholders as on 10 days prior to the date of the Information Memorandum are as follows:

Sr. No.	Name of the Shareholder	No. of shares	% of total shares
1.	Purushottam C. Mandhana HUF	2,013,732	9.12%
2.	Mr. Manish B. Mandhana	1,498,431	6.79%
3.	Ms. Prema P. Mandhana	1,463,739	6.63%
4.	Mr. Purushottam C. Mandhana	1,426,454	6.46%
5.	Mr. Priyavrat P. Mandhana	1,313,873	5.95%
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7.	Mahan Synthetic Textiles Pvt. Ltd.	998,522	4.52%
8.	Biharilal C. Mandhana HUF	731,999	3.31%
9.	Mas. Arnav M. Mandhana	542,666	2.46%
10.	Arnold Holdings Limited	533,170	2.41%
Total		11,657,295	52.79%

c. Top ten shareholders as on 2 years prior to the date of the Information Memorandum are as follows:

Sr. No.	Name of the Shareholder	No. of shares	% of total shares
1.	Mr. Purushottam C. Mandhana	8316	16.63%
2.	Ms. Prema P. Mandhana	8316	12.48%
3.	Mr. Priyavrat P. Mandhana	8368	12.48%
4.	Mr. Biharilal C. Mandhana	6238	16.74%
5.	Mr. Manish B. Mandhana	6238	16.63%
6.	Ms. Sudha B. Mandhana	6237	12.47%
7.	Ms. Sangeeta M. Mandhana	6287	12.57%
Total		50,000	100.00%

15. All Equity Shares allotted pursuant to the Scheme will be fully paid up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Information Memorandum.



16. There have been no financing arrangements whereby our Promoter, our Promoter Group, the Directors of our Promoter Group Companies, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of filing of the Information Memorandum
17. There shall be only one denomination for the equity shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms specified by SEBI, from time to time.
18. The Demerged Company i.e. Mandhana Industries Limited had 7,721 members as on the Record Date i.e. September 23, 2016.
19. Currently, our Company does not have an Employee Stock Option Scheme/ Employee Stock Purchase Scheme.



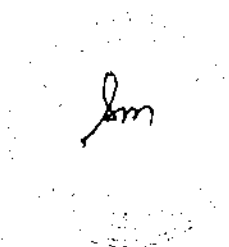
OBJECTS AND RATIONALE OF THE SCHEME

In order to ensure sustainable long term growth, profitability, market share and continuous customer service it requires focused management attention, different set of skill and resources to meet competitive, regulatory environment and to mitigate risk. It was envisaged that demerger proposal shall be in the larger interest of the shareholders, creditors and employees of the Demerged Company and help to achieve effective future growth of the Resulting Company. It is further envisaged to bring specific benefits as follows:

- The demerger will enable both the Demerged and the Resulting Company to have an enhanced strategic flexibility to build a vibrant industrial platform;
- The demerger will enable a dedicated management focus and accelerate the growth of Retail Business;
- There will be an access to varied sources of funds for the rapid growth of both businesses;
- The demerger will provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.

In order to achieve efficiency of operations and management and with the intent of realigning the business operations undertaken by MIL, the management of MIL decided to concentrate on, and strengthen its core competencies and have greater focus and create more value for the Being Human Retail Division in the interest of maximising overall shareholder value.

Therefore, with a view to effect such plan, the Board of Directors of MIL and MRVL proposed that the Being Human Retail Division, be transferred to and vested in Mandhana Retail Ventures Limited on a going concern basis, through the Scheme.

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STATEMENT OF TAX BENEFITS

To
The Board of Directors
Mandhana Retail Ventures Limited
OD6-008, Peninsula Center,
Dr. S.S. Rao Road, Parel,
Mumbai - 400012
Maharashtra, India

Dear Sirs,

Sub: Statement of possible special tax benefits (the "Statement") available to Mandhana Retail Ventures Limited and its shareholders under applicable laws

We hereby confirm that the enclosed annexure, prepared by Mandhana Retail Ventures Limited (the "Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (the "Act") and the Wealth Tax Act, 1957 (collectively referred to as "Tax Laws") presently in force in India (i.e. applicable for the Accounting year 2016-17 relevant to the assessment year 2017-18). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to avail of these benefits is dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act, which, based on business imperatives faced in the future, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits. Further, the preparation of the contents stated in the enclosed Annexure is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our views are based on the existing provisions of tax law and their interpretation, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

The Direct Taxes Code (proposed to replace the Income Tax Act, 1961 and Wealth Tax Act, 1957) may undergo changes by the time it is actually introduced. At the moment, it is unclear when the proposed Direct Taxes Code will come into effect and what effect it may have on the Company and the investors. We have accordingly made no comment on impact of the proposed Direct Taxes Code.

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

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

- the Company will continue to obtain these benefits in future;



- the conditions prescribed for availing the benefits, where applicable, have been/would be met with; and
- the revenue authorities/courts will concur with the views expressed herein.

This certificate has been issued at the request of the Company for use in connection with the Information Memorandum.

For Vishal Shah & Associates
Chartered Accountants
Firm Registration No: 116422W

Proprietor
Membership No.: 101231
September 24, 2016



STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO OUR SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961, ("IT ACT") PRESENTLY IN FORCE IN INDIA

The information provided below sets out the possible tax benefits available to the shareholders of an Indian company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives a shareholder faces may or may not choose to fulfill.

The following overview is only intended to provide general information to the investors and is not exhaustive or comprehensive and is neither designed nor intended to be a substitute for professional advice. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications arising out of their participation in the issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The law stated below is as per the Income-tax Act, 1961 as amended by the Finance - Act, 2015 and on the assumption that the Equity Shares would not be held by the shareholders as stock-in-trade.

A. BENEFITS / CONSEQUENCES UNDER THE IT ACT

A. Special Tax Benefits

There are no special tax benefits available to the company and the shareholders.

B. General Tax Benefits

➤ **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 the provisions of section 32 of the Income Tax Act, 1961 (the "Act"). The company is also entitled to claim additional depreciation as per the rates prescribed by the Act on plant and machinery used for production. Unabsorbed business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent assessment years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set-off against any source of income in subsequent years.

➤ **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 1 April 2006. The amount of credit available shall be the difference between MAT paid under section 115JB of the Act and taxes payable on total income computed under other provisions of the Act. MAT credit shall be allowed for set-off for subsequent assessment years to the extent of difference between the tax payable as per the normal provisions of the Act and the taxes payable under Section 115JB of the Act for the assessment year.

MAT credit is eligible for carry forward and set-off for up to 10 years succeeding the assessment year in which the MAT credit arises.



As per provisions of Section 80G/80GGB of the Act, the Company is entitled to claim deduction of specified amount in respect of eligible donations and contribution to any political party, subject to the fulfilment of the conditions specified in that section.

I. Resident Shareholders

1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile our Company was liable to pay Dividend Distribution Tax ("DDT") at the rate of 17.65% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 82,350, then DDT under the amended provision would be calculated as follows:

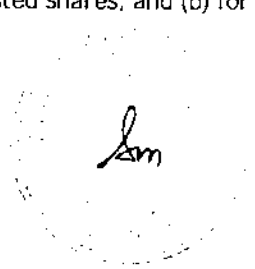
Dividend amount distributed = Rs 82,350
Increase by Rs 1765 [i.e. $(82350 \times 0.1765) / (1 - 0.1765)$]
Increased amount = Rs 1,00,000
DDT @ 17.65% of Rs 1,00,000 = Rs 17,650
Tax payable u/s 115-O is Rs 17,650
Dividend distributed to shareholders = Rs 82,350

So DDT payable will be Rs 17,650 before surcharge and education cess and higher education cess. In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfilment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. Section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of Long Term Capital Gains, ("LTCG")¹ from transfer of shares of an Indian company, the second proviso to Section 48 of the IT Act, permits substitution of cost of acquisition/improvement with the indexed cost of acquisition/improvement, which adjusts the cost of acquisition/improvement by a cost inflation index, as prescribed from time to time.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to Securities Transaction Tax ("STT").
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, LTCG, [other than those exempt under Section 10(38) of the IT Act] arising on transfer of our shares would be subject to tax at

¹ Long term capital gains are gains from shares held (a) for a period exceeding twelve months in the case of listed shares; and (b) for a period exceeding thirty six months in the case of unlisted shares.



the rate of 20% (plus applicable surcharge and education cess) after indexation. The amount of such tax shall, however, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder in case the shares are listed.

5. As per Section 111A of the IT Act, Short Term Capital Gains ("STCG")² arising on transfer of our equity share would be taxable at a rate of 15% (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is liable to STT. STCG arising from transfer of our shares, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
6. As per Section 74 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against Short Term as well as Long Term Gains computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' Short Term as well as Long Term Gains. However, the long term capital loss [other than the above long term capital assets whose gains are exempt under Section 10(38) of the IT Act] computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' LTCG.
7. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.
8. No withholding tax is applicable on income arising by way of capital gains to a resident shareholder on transfer of shares of an Indian company.
- II. Non-resident shareholders other than Foreign Institutional Investor ("FII"s) and Foreign Venture Capital Investors ("FVCI")
1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of the dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile our Company was liable to pay DDT at the rate of 17.65% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 82,350, then DDT under the amended provision would be calculated as follows:

Dividend amount distributed = Rs 82,350
Increase by Rs 17,650 [i.e. $(82,350 \times 0.1765) / (1 - 0.1765)$]
Increased amount = Rs 1,00,000
DDT @ 17.65% of Rs 1,00,000 = Rs 17,650
Tax payable u/s 115-O is Rs 17,650
Dividend distributed to shareholders = Rs 82,350

So DDT payable will be Rs 17,650 before surcharge and education cess and higher education cess.

²Short term capital gains are gains from shares held (a) for a period not exceeding twelve months in the case of listed shares; and (b) for a period not exceeding thirty six months in the case of unlisted shares.



In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. Under the First Proviso to Section 48 of the IT Act, in case of a non-resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by Section 115E of the IT Act, discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilised in the purchase of the shares.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder, being a non-resident, on sale of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to STT.
4. Having regard to the provisions of Section 112 of the IT Act, other relevant provisions of the IT Act and recent judicial precedents, LTCG, [other than those exempt under Section 10(38) of the IT Act] arising on off-market transfer of our listed shares, at the option of the shareholder, should be subject to tax at a rate of 10% (plus applicable surcharge and education cess), without indexation.
5. Under Section 111A of the IT Act and other relevant provisions of the IT Act, STCG arising on transfer of equity share would be taxable at a rate of 15% (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. STCG arising from transfer of our shares, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
6. As per Section 74 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against Short Term as well as Long Term Gains computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' Short Term as well as Long Term Gains. However, the Long Term capital Loss [other than the above long term capital assets whose gains are exempt under Section 10(38) of the IT Act] computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' LTCG.
7. Where our shares have been subscribed in convertible foreign exchange, Non Resident Indians, i.e. an individual being a citizen of India or person of Indian origin who is not a resident, ("NRI") have the option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter alia* entitles them to the following benefits:
 - (i) Under section 115E of the IT Act, where the total income of a NRI includes any income from investments³ or income from capital gain of an asset other than a specified asset, such income

³Investment income for section 115E means any income derived (other than dividends referred to in section 115-O) from specified asset (which *inter-alia* includes shares in an Indian company), as acquired or purchased with, or subscribed to in, convertible foreign exchange.



shall be taxable at 20% (plus applicable surcharge and education cess). Also, where share of the company are subscribed to in convertible foreign exchange by a NRI, the LTCG arising to the NRI shall be taxable at the rate of 10% (plus applicable surcharge and education cess). However, the benefit of indexation of cost and deduction under Chapter VI-A, would not be available in respect of such income.

- (ii) Under Section 115F of the IT Act, LTCG [in cases not covered under Section 10(38) of the IT Act] arising to an NRI from the transfer of our shares subscribed to in convertible foreign exchange shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in Section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
 - (iii) Under Section 115G of the IT Act, it shall not be necessary for an NRI to furnish his return of income under Section 139(1) of the IT Act, if his income chargeable under the Act consists of only investment income or LTCG or both, arising out of specified assets (inter-alia including shares in an Indian Company) acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.
 - (iv) In accordance with the provisions of Section 115H of the IT Act, where an NRI become assessable as a resident in India, he may furnish a declaration in writing to the assessing officer along with his return of income for that year under Section 139 of the IT Act to the effect that the provisions of Chapter XII-A of the IT Act shall continue to apply to him in relation to such investment income derived from the specified assets (which do not include shares in an Indian company) for that year and subsequent assessment years until such assets are converted into money.
 - (v) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A, and compute his total income as per other provisions of the IT Act.
8. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.
9. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA between India and the country of residence of the non-resident/NRI. As per Section 90(2) of the IT Act, provisions of the applicable DTAA would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident/NRI. However, the non-resident investor will have to qualify as a tax resident under the applicable DTAA and would need to furnish a Tax Residency Certificate ("TRC") of his being a resident in a country outside India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provisions of Section 90(4) of the IT Act.
10. As per the provisions of Section 195 of the IT Act, any income by way of capital gains payable to non-residents [other than LTCG exempt u/s 10(38)] may be subject to withholding of tax at the rate under the domestic tax laws or under the tax laws or under the DTAA, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.



III. Foreign Institutional Investors (FIIs)

1. Dividends (whether interim or final) referred to in Section 115-O of the IT Act, declared, distributed or paid by our Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

In the context of dividend payable by our Company to its shareholders, by virtue of section 115-O, erstwhile our Company was liable to pay Dividend Distribution Tax ("DDT") at the rate of 15% (plus applicable surcharge and cess) on the total income declared, distributed, or paid as dividend.

Tax on dividends to be distributed by domestic companies is to be computed on the grossed up amount of dividend by the rate of tax on such dividend, instead of the net amount paid. Thus, where the amount of dividend distributed or paid by a company is Rs 82,350, then DDT under the amended provision would be calculated as follows:

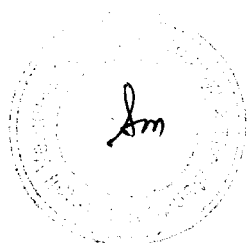
Dividend amount distributed = Rs 82,350
Increase by Rs 17,650 [i.e. $(82,350 \times 0.1765) / (1 - 0.1765)$]
Increased amount = Rs 1,00,000
DDT @ 17.65% of Rs 1,00,000 = Rs 17,650
Tax payable u/s 115-O is Rs 17,650
Dividend distributed to shareholders = Rs 82,350

So DDT payable will be Rs.17,650 before surcharge and education cess and higher education cess.

In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.

2. As per section 2(14) of the IT Act, any securities held by a FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
3. Under Section 10(38) of the IT Act, LTCG arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is liable to STT.
4. Under Section 115AD(1)(ii) of the IT Act, STCG arising to an FII on transfer of shares shall be chargeable at a rate of 15%, if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. Other STCG are chargeable to tax at the rate of 30%. The above rates are to be increased by applicable surcharge and education cess.
5. Under Section 115AD (1) (iii) of the IT Act, income by way of LTCG arising from the transfer of shares [in cases not covered under Section 10(38) of the IT Act] held in the company will be taxable at the rate of 10% (plus applicable surcharge and education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FIIs.
6. As per fifth proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as capital gains.



7. As per Section 90(2) of the IT Act, the provisions of the applicable DTAA (entered between India and the country of fiscal domicile of the non-resident), if any, would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident. However, the non-resident investor will have to furnish a TRC of his being a resident in a country outside India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provisions of Section 90(4) of the IT Act.
 8. As per Section 196D of IT Act, no tax is to be deducted from any income, by way of Capital Gains arising to the FII from the transfer of securities referred to in section 115AD of the IT Act. Tax, if any, would be required to be discharged by the concerned FII prior to making the remittance of the proceeds out of India.
 9. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that FPI registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.
 10. The Finance Act, 2015 provided the relief from MAT to foreign companies on capital gains arises on transfer of securities. The income on the securities is excluded from chargeability of MAT if tax payable on such income is less than 18.5%. Further, expenditures, if any, debited to the profit loss account, corresponding to such income shall also be added back to the book profit for the purpose of computation of MAT.
- IV. Venture Capital Fund (VCF) / Venture Capital Company ('VCC')
1. Under Section 10(23FB) of the IT Act, any income of VCF/ VCC registered with the Securities and Exchange Board of India ("SEBI") on or before 21 May 2012 or VCF/ VCC registered with the SEBI as a sub-category of Category-I Alternative Investment Fund, would be exempt from income-tax, subject to fulfillment of conditions specified therein. The exemption has now also been extended to VCF / VCC registered with SEBI as a sub-category of Category-II Alternative Investment Fund
 2. As per the provisions of section 115U of the IT Act, any income accruing or arising to or received by a person out of investments made in a VCF / VCC [referred in section 10(23FB)] shall be chargeable to income-tax in the same manner as if it were the income accruing or arising to or received by such person had he made investments directly in the Venture Capital Undertaking.
- V. Mutual Funds
- Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or mutual funds set up by public sector banks or public financial institutions or authorised by the RBI and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.
- VI. Provident Fund and Pension Fund
- Under section 10(25) of the IT Act, any income received by trustees on behalf of a recognised provident fund and a recognised superannuation fund is exempt from tax.
- VII. Exemption under Sections 54EC of the IT Act
- Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, LTCG [other than those exempt under Section 10(38) of the IT Act] arising on the transfer of our shares would be exempt from tax if such capital gain is invested within six months after the date of such transfer, in the bonds (long term specified assets) issued by:



- (a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
- (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment in the long term specified assets is eligible for such deduction to the extent of 5 million, whether invested during the financial year in which the asset is transferred or subsequent year.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion. For this purpose, if any loans or advance is taken as against such specified securities, than such person shall be deemed to have converted such specified securities into money. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C and section 88 of the IT Act for any assessment year beginning on or after 1 April 2006.

VIII. Requirement to furnish Permanent Account Number ('PAN') under the IT Act

1. Section 139A(5A) of the IT Act

Section 139A(5A) requires every person from whose income tax has been deducted at source under chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deduction of tax at source.

2. Section 206AA of the IT Act

- (a) Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the highest of the following rates:

- (i) at the rate specified in the relevant provision of the IT Act; or
- (ii) at the rate or rates in force; or
- (iii) at the rate of twenty per cent.

- (b) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

IX. Where the shareholder is a person located in a Notified Jurisdictional Area ('NJA') under section 94A of the IT Act

Where the shareholder is a person located in a NJA [at present, Cyprus has been notified⁴ as NJA], as per the provisions of section 94A of the IT Act:

- All parties to such transactions shall be treated as associated enterprises under section 92A of the IT Act and the transaction shall be treated as an international transaction resulting in application of transfer pricing regulations including maintenance of documentations, benchmarking, etc.
- No deduction in respect of any payment made to any financial institution in a NJA shall be allowed under the IT Act unless the assessee furnishes an authorisation in the prescribed form authorizing

⁴ Notification No. 86/2013, dated 1 November, 2013 published in Official Gazette through SO 4625 GI/13



the CBDT or any other income-tax authority acting on its behalf to seek relevant information from the said financial institution [Section 94A(3)(a) read with Rule 21AC and Form 10FC].

- No deduction in respect of any expenditure or allowance (including depreciation) arising from the transaction with a person located in a NJA shall be allowed under the IT Act unless the assessee maintains such documents and furnishes such information as may be prescribed [Section 94A(3)(b) read with Rule 21AC].
- If any assessee receives any sum from any person located in a NJA, then the onus is on the assessee to satisfactorily explain the source of such money in the hands of such person or in the hands of the beneficial owner, and in case of his failure to do so, the amount shall be deemed to be the income of the assessee [Section 94A(4)].
- Any sum payable to a person located in a NJA shall be liable for withholding tax at the highest of the following rates:
 - (i) at the rate or rates in force;
 - (ii) at the rate specified in the relevant provision of the IT Act; or
 - (iii) at the rate of thirty per cent.

X. General Anti-Avoidance Rules ('GAAR')

1. In terms of Chapter XA of the IT Act, General Anti-Avoidance Rules may be invoked notwithstanding anything contained in the IT Act. Due to this any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement, as defined in that Chapter and the consequence would be *inter alia* denial of tax benefit. This would also include denial of the benefit of the DTAA to an investor if the Revenue Authorities declares any arrangement to be an impermissible avoidance arrangement. As per Finance Act 2015, the implementation of GAAR has been deferred by two years and GAAR provisions be made applicable to the income of the financial year 2017-18 (Assessment Year 2018-19) and subsequent years by amendment of the Act. Further, investments made up to 31.03.2017 are protected from the applicability of GAAR by amendment in the relevant rules in this regard.
2. However, the GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

B. THE WEALTH TAX ACT, 1957

The Wealth Tax Act, 1957 has been abolished from the Financial Year 2015-16 by the Finance Ministry.

Notes:

1. The above benefits are as per the current tax law as amended by the Finance Act, 2015 (the "FA").
2. As per the FA, surcharge is to be levied as under:
 - (a) In the case of individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person, where his income or exceeds rupees one crore, surcharge at 12% of tax is payable.
 - (b) In case of domestic company, where its income exceeds rupees one crore but does not exceed rupees ten crores, a surcharge at the rate of 7% of tax liability is payable and when such income exceeds rupees ten crores, surcharge at 12% of tax is payable.



- (c) In case of foreign companies, where the income exceeds rupees one crore but does not exceed rupees ten crores, a surcharge of 2% of such tax liability is payable and when such income exceeds rupees ten crores, surcharge at 5% of tax is payable.

Further, 2% education cess and 1% secondary and higher education cess on the total income tax (including surcharge) is also applicable.

3. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
4. The stated benefits will be available only to the sole/first named holder in case the shares are held by the joint holders.
5. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
6. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty.
7. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Shares.
8. This statement is intended only to provide general information to the investors and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
9. The above statement of possible direct-tax benefits sets out the possible tax benefits available to it's the shareholders of the Company under the current tax laws presently in force in India. Several of these benefits available are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.



SECTION IV - ABOUT US

OUR INDUSTRY OVERVIEW

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The Indian Economy

India's GDP growth at over 7% in the last 2 years has been quite high in comparison to other economies. The country's economy has seen only a gentle revival in FY16 (growth of 7.6% vis-à-vis the growth of 7.2% in FY15). The consistent high growth rate has in part been credited to the new methodology used in the calculation of GDP (base year used now is 2011-12). However the growth has been supported by higher growth in manufacturing and the services sector. Agriculture remained lackluster in the last 2 years due to drought conditions.

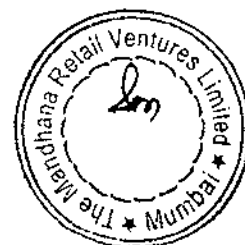
CARE expects GDP growth to improve further to 7.8% in FY17. This growth is to be bought about chiefly by pick-up in domestic demand and private consumption. The favourable monsoons this year and increase in wage levels post the implementation of the 7th pay Commission would aid the pick-up in consumption. The various initiatives taken by the government are also expected to add to the economic activity, albeit to a limited extent, as these measures being long term in nature would see the benefits accruing over a period of time

The Indian economy can draw considerable comfort from prevailing favorable macro conditions in terms of increase in foreign capital inflows, relatively stable currency, narrowing of trade deficit and growth supportive government policies and initiatives, including the adoption of fiscal discipline. While all these factors should necessarily bolster the economy further, performance across the various segments could continue to be mixed with exports being subdued, limited pick-up in investment demand in specific sectors, limited pick up in private investment and the continued stress in the banking system.

Market Size

The Indian Retail Industry has emerged as one of the fastest growing industries. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. (Source: IBEF)

The Indian retail industry is estimated at USD 550 billion with apparel constituting around 8% of the total market size i.e. USD 44 billion (Rs. 2640 billion). The apparel industry in India can be divided into two segments - "Ready-To-Stitch" ("RTS") and Ready-To-Wear ("RTW"). RTS currently contributes approximately 30 % of the overall apparel industry, but its share is fast declining, with the increasing availability of RTW apparels in various colors, sizes and patterns. Also, the lack of spare time left with consumers to go through the entire process of buying fabric and getting it stitched has helped the RTW segment to grow. Increasing organized retail penetration and popularising mall culture has also led the growth of the RTW segment.



The domestic Indian apparel market can be divided into three broad segments – men's apparels, women's apparels and kid's apparels.

Men's apparel – Men's apparel market size is estimated to be around Rs.1148 billion and contributed approximately 42 % to the overall apparel industry in 2015. It is the most penetrated segment in the domestic apparel market. (Source: India Business of Fashion Report 2016 / Images Group)

Women's apparel – Women's apparel market size is estimated to be around Rs.1024 billion in FY15. Its share in the domestic apparel market is around 38% in 2015. The robust growth in this segment can be attributed to the increase in the consumption of apparels due to the rising income levels, working women and more college going females. Also, the changing consumer preference and easy availability of RTW apparel in various colors, size and patterns as a result of increase in retail services, has enabled this segment to grow at a rate higher than the industry average. (Source: India Business of Fashion Report 2016 / Images Group)

Kids' apparel – The kid's apparel segment contributes the balance market share (20%) in the domestic apparel market with a market size of Rs.554 billion in 2015. Increasing family income, introduction of brands in kidswear and growing demand for clothes for different occasions remain the key growth drivers for the kids wear segment. (Source: India Business of Fashion Report 2016 / Images Group)

Industry Structure

With the evolution and growth of retailing in the global context, the size, scope and complexity of retailing has undergone a considerable change. The Retail industry can broadly be classified into: Organised Retail and Unorganised Retail.

Unorganised Retail

This refers to the traditional form of retail outlets often situated near residential areas and catering to the needs of the populace residing in the locality. The Indian Retail industry has primarily been dominated by the unorganised segment. During 2015, the unorganised retail accounted for 92% of total retail penetration, compared to the unorganised retail contribution of 15-20% to the total retail sales in U.S.A. (Source: IBEF).

Organised Retail

This refers to the modern form of retailing. The organised retail outlets are generally located in commercial establishments/high-street areas and are characterised by high capital requirements, trained staff, large premises, a wide variety of products and multi-locational stores. With the growing mall culture and pleasant shopping experience being offered to customers, the penetration of organised retail in India is increasing. It has also been observed that the penetration of organised retail is closely linked to a country's level of economic development.

Further, the growing number of internet users and the rapid spread of Indian consumerism has led to the development of another retail format i.e. e-retailing. Unlike the other retail formats wherein the physical presence of the consumer in the store was required to convert the consumer's wants into purchase, the concept of e-retailing stands apart by enabling the consumer to purchase the desired products online.

Growth drivers of the sector

Rising Urbanisation

A majority of India still lives in 'villages'. This statement no doubt holds true but the figures suggest that there has been a paradigm shift of the Indian populace in terms of rural-urban divide. The aspirations of higher income, higher standard of living etc. has drawn more and more people from villages to settle in towns and cities. This transition from rural to urban areas has led to an increase in the demand for goods (owing to higher income and ever-expanding needs). The retailers, especially in the organised segment are therefore targeting the 'middle class' populace by ensuring the availability of varied products at various price ranges to match the needs of a 'common man'.



Rising Income Levels

In the last decade, Indian economy has progressed rapidly. Correspondingly, India's per capita income has gone up from Rs.80,578 in FY13 to Rs.98,565 in FY15 and further improved to Rs.105,815 in FY16 fuelling a consumption boom in the country. The growth in country's per capita GDP in turn has increased the disposable income of the populace ultimately driving the country's consumption. (Source: CMIE and CARE Economics Division)

Growing spread of 'plastic money'

The growing use of 'plastic money' i.e. credit and debit cards has resulted in spend thrift behaviour amongst the consumers thereby fuelling the demand in the retail sector. With the acceptance of plastic money by almost all the retailers in the organised retail segment, the number of outstanding plastic cards in the country is on a rise. The incentives such as cash-back offer or discounts on selected sales linked to the plastic money have lured the Indian consumer to experience the pleasure of 'cashless shopping'.

With the spread of the concept - 'buy now and pay later', the credit cards accounted for 61% of all the retail transactions through plastic money. Spending by credit cards increased from Rs.1,244 bn in FY13 to Rs.1,923 bn in FY15, registering a CAGR of 24.3% for the period. Spending by debit card (at point of sale) also increased from Rs.743 bn in FY13 to Rs.1213 bn in FY15. (Source: RBI)

Growing female working population

In the backdrop of growing Indian economy during the recent years, the participation of female workforce in the country's economic activities has increased considerably. The higher purchasing power in the hands of 'working-women class' compared to the housewives enhances the ability of the former to spend much more comparatively. Further the 'time constraint' factor also needs to be accounted for by the working women while making purchases of various day-to-day requirements. Capitalising on the same, the organised retailers have increasingly emphasised on the 'one-stop shop' concept wherein all the household requirements could be met under a single roof.

Relaxation of FDI norms

In September 2012, the Indian government passed a policy which allowed 100% FDI in single-brand retail trading and up to 51% in multi-brand retail trading, subject to certain conditions. In November 2015, the government allowed foreign brands, with single-brand retail approval to sell their products online and also allowed single-brand entities to carry out both wholesale and single-brand retail activities in India. In March 2016, the government allowed 100% FDI entry into the market via e-commerce companies.

Brief Profile of Key Players operating in apparel retail:

Companies	FY16			Major Owned/ Licenced/ Investee Brands
	Revenue (Rs.cr)	PBILDT (Rs.cr)	PAT (Rs.cr)	
Trent Ltd.	1,571	164	78	Bombay Paisley, LOV, Wardrobe, Zuba, Nuon, ETA, Westsport, Sassy Soda, Studio West, Wunder Love, Hop, Oak & Keel
Shoppers Stop Ltd.	3,434	239	25	STOP, Kashish, Life, Haute Curry, Vettorio Fratini, Elliza Donatein
Future Lifestyle Fashions Ltd.	3,316	342	29	Cover Story, Indigo Nation, Mohr, Ceriz, Lee Cooper, Urbana, Scullers, Lombard, John Miller, Giovanni, All, Jealous 21, UMM, Daniel Hechter, Bare, Urban Yoga, Umbro, Champion, Converse, Rig
Arvind Ltd.	5,416	936	319	Calvin Klein, Gant, Nautica, Flying Machine, Gap, Arrow, Tommy Hilfiger, Izod, Aeropostale, U.S.Polo, TCP, Sephora, Elle, Cherokee

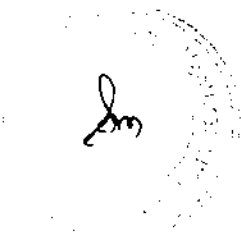


Companies	FY16			Major Owned/ Licenced/ Investee Brands
	Revenue (Rs.cr)	PBILDT (Rs.cr)	PAT (Rs.cr)	
Zodiac Clothing Co. Ltd	313	7	4	ZOD!, Zodiac, Z3
Kewal Kiran Clothing Ltd.	464	111	68	Killer, Easies, LawmanPg3, Integriti

(Source: Company Annual Reports, Ace equity database)

Outlook

CARE Research expects Indian apparel retail industry to grow by 10-12% p.a. up to FY20. The growth would be driven by the growth in the Indian economy leading to the rise in disposable income, increased usage of plastic money leading to impulsive buying by the Indian consumers, the increasing percentage of the youth in the Indian economy, growing mall culture, growth in e-commerce and entry of foreign players. Growing differentiation in the party-wear, office-wear and semi formals, increasing share of the designer wear are expected to further drive the growth of the apparel industry. Factors like the changing fashion trends, growing consumer and service class, rising urbanization, increasing retail penetration together would continue to drive the growth.



OUR BUSINESS OVERVIEW

MIL, the Demerged Company had entered into global exclusive Brand License Agreement with "Being Human - The Salman Khan Foundation" on December 23, 2010 effective from January 1, 2011 to use trademark & logo of "Being Human" for all clothes range/clothing lines.

Post approval of Scheme, MIL and The Salman Khan Foundation agreed to terminate the erstwhile Brand License Agreement *vide* Termination Agreement dated August 24, 2016 and simultaneously our Company entered into global exclusive Trademark License Agreement on even date to design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human" trademark until March 31, 2020.

We believe the uniqueness of the brand ethos is the powerful combination of fashion, charity and the well-known celebrity. Due to this uniqueness, the brand "Being Human" stands out globally and differentiates itself amongst the clutter of fashionable brands.

Our exclusive brand outlets are focused on providing a standard elevated shopping experience to customers and are developed after taking into account the store location, the demographic profile of consumers of that area and the store size.

As on September 30, 2016, our Company distributes Being Human Clothing through 537 retail selling points. Our distribution network comprises of 28 company owned exclusive brand outlet, 29 franchisee owned exclusive brand outlet including four overseas stores, 253 point of sales in domestic shop-in-shops forming part of large format stores (LFS) and multi brand outlet (MBOs), 12 distribution partners catering to 220 retailers and 7 online e-commerce selling points. Further, our Company also sells in international markets.

Being Human Clothing business has been conferred with various awards by industry platforms for our contribution to the retail apparel brand industry, elevated consumer experience and service levels. Being Human Clothing business has received several accolades which keep us encouraging viz. "The Most Exciting Apparel Brand" & "Most Exciting Brands" (Study by Nielsen, published in Brand Equity - The Economic Times, May 2015); "Promising Brand 2015" (Brand Equity - The Economic Times, 2015); "Apparel Retailer of the Year" (Indian Retail Congress, Delhi, 2014); "Apparel Retailer of the Year" (Franchisee India, 2014); "Licensee of the Year" (Star Retailers Awards, 2014); "Best Unisex Store" (Infiniti 2, 2014); "Most Admired store Unisex Apparel" (Viviana Mall, 2013); and Images Most Admired Fashion Brand Of The Year 2016.

Total Revenue from our Being Human Retail Division for the quarter ended June 30, 2016, Fiscal 2016 and Fiscal 2015 was Rs. 5,391.12 Lacs, Rs. 21,935.59 Lacs and Rs. 17,280.69 Lacs respectively. Profit after Tax from our Being Human Retail Division for the quarter ended June 30, 2016, Fiscal 2016 and Fiscal 2015 was Rs. 920.89 Lacs Rs. 2,141.58 Lacs and Rs. 2,017.01 Lacs respectively.

OUR COMPETITIVE STRENGTHS

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

Strong brand recall "Being Human"

We have an exclusive global license to design, manufacture, retail and distribute men's wear, women's wear and accessories under the Being Human labels. Our ability to constantly innovate and adapt to an ever changing market place by offering a wide range of products is the cornerstone of our business.

The Being Human brand stands out by its positive, simple, humane DNA - love, share, care, hope, help and joy. The brand's vision is to position itself as a truly global brand. Through the slogan "Look good Do good" the



brand positions itself as a brand where consumers can buy fashionable merchandises whilst at the same time contribute to two great causes of education and healthcare.

Salman Khan is the owner of the brand "Being Human"

Salman Khan, well-known film personality, is the owner of the brand "Being Human". He has assigned his right, title and interest in brand "Being Human" in perpetuity to "Being Human-The Salman Khan Foundation", a philanthropic trust with an object to serve people from all communities without any discrimination of any caste, creed, religion, color or community; providing relief to poor; providing relief to people affected due to flood, draught or any natural calamity; advancement and propagation for education and providing medical relief of all types. The monies paid by our Company to the Trust under the Trademark License Agreement are used for the ultimate good of the downtrodden and marginalized sections of the society.

Wide network of stores

Our extensive network of retail stores, allow us to cater to a large section of consumers and ensures effective penetration of the products that we retail across India. As on September 30, 2016, our Company distributes Being Human Clothing through 537 retail selling points. Our distribution network comprises of 28 company owned exclusive brand outlet, 29 franchisee owned exclusive brand outlet including four overseas stores, 253 point of sales in domestic shop-in-shops forming part of large format stores (LFS) and multi brand outlet (MBOs), 12 distribution partners catering to 220 retailers and 7 online e-commerce selling points. Further, our Company also sells in international markets.

Understanding consumer preferences

We believe that our ability to anticipate, gauge and respond in a timely manner to changing trends and consumer demands and preferences is a key strength of our Company. We believe that we have an extensive understanding of the fashion apparel market in India. Our presence across various product categories through our wide network of retail stores, helps us understand the dynamics of trends, fashion and consumer aspirations better.

Training and development

We believe that a strong focus on training and development is important for the sustenance and growth of our business. We recognize the importance of workplace based learning as an important facet of our training and development programmes. We have a robust human resource and training team that ensures different training activities for our employees covering (a) product training, (b) technical training, and (c) soft skill development.

Information technology

We believe that Information Technology is a powerful tool in operating our business and have accordingly invested in creating a robust IT system, network and processes. We are the retail company in India to have successfully implemented an Enterprise Resource Planning System, which works as a backbone application for our Company and provides an omni channel automation to both the back end operations as well as the front end operations. Apart from the features of managing inventories, discounts and sales data, we have other modules such as Customer Relationship Management (CRM), Loyalty Programs and Business Intelligence Tool on this single platform.

Experienced Management Team

Our Company is managed by a team of experienced and professional managers, exclusively focused on different aspects of the retail industry. We consider human capital to be one of our biggest assets which has resulted in the growth of point of sales to 537 retail selling points.

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



Presence across premium and value segments

We have a comprehensive portfolio of product offerings in men's & women's apparel and accessories segment. We believe that such a diversified product range helps us increase our penetration in the metros and expand our presence in the smaller cities across India. We believe our comprehensive range of products across genders with diverse price points for premium and mid-premium segments enable us to capitalise on growth opportunities in the apparel fashion segment both in metros and other cities.

Complementing our retail stores by online distribution and other omni channel platforms

We have entered into distribution arrangements with some of the leading Indian e-commerce platforms, for the sale of our products online. In terms of assortment of merchandise, we hold a large collection of branded merchandise at our retail stores. We plan to implement this omni-channel platform across all brands where we operate retail stores thereby elevating consumer experience.

Strong back-end with in-house designing, and healthy relationships with third-party vendors.

We believe that we enjoy a competitive advantage due to our strong in-house design team and our healthy relationship with our vendors. We have a dedicated design team who follows the emerging global fashion trends for creation of the designs for our latest collections. This keeps brand Being Human in sync with the latest International fashion trends. We have professionals in our design, development and merchandising department dedicated to developing new products, improving existing ones and forecasting fashion trends. In addition, our commissioned agents have direct access to the dealers, distributors and retailers in India and they conduct regular market surveys to understand consumer demand and feedback, which is communicated to our design team. We follow an asset-light model by outsourcing the production to a network of vendors with whom we enjoy a healthy relationship.

OUR STRATEGIES

We plan to continue to strengthen our position as a retailer of 'Being Human' products so as to reach out to a larger consumer base. Following are some of the key focus areas that will help us achieve our goal:

Continue to maintain our focus on long term relationships with 'Being Human'

We feel that our long associations with the Salman Khan Foundation will help to focus on maintaining and fostering such relationships based on quality of the products and also our ability to retail a wide variety of products through our vast network of stores.

Increase geographic penetration of "Being Human" brand

We intend to grow and increase our retail footprint through our Company owned/Third Parties Stores and through business associates globally. This would enable us to increase our consumer base across all men's wear, women's wear and accessories and become a chosen destination for all apparel requirements. We propose to strengthen the brand 'Being Human' by enforcing effective sales and marketing strategies on the basis of our deep understanding of the retail market and consumer preferences.

Target the growing segments

We focus on providing a complete range of men's wear, women's wear and accessories at various price points. This business strategy and brand positioning of the products that we retail is in line with our target market. The Indian market is very different from mature markets with a rapidly growing population and a demographic profile with a very young population. We are focused on a fast growing segment of branded apparel wear. We intend to consolidate our position by capitalising on the growing young population, which has increased spending capacity.

OUR PRODUCTS



We offer a comprehensive line of fashion apparels for men's wear, women's wear and accessories under the 'Being Human' brand.

- a. Men's Category: T-Shirts (Crew & Polo), Shirts, Jackets / Suits / Blazers, Hoody, Sweaters, Denim, Chino, Track Pants, Track shorts, Pyjamas, Vest, Boxers & Underwear and Socks
- b. Women's Category: T-Shirts (Crew & Polo), Shirts / Blouses / Tops, Jackets, Hoody, Sweaters, Denim, Chinos, Track Pants, Track Shorts, Pyjamas, Dress, Undergarments, Skirts, Shrugs, Shorts, Leggings / Jeggings
- c. Accessories: Belts, Wallets, Flip flops, Wristbands, Scarf/Stole, Caps

Procurement of the Finished Products

We primarily follow an asset light model and outsource the manufacturing to a network of vendors. Our design team is responsible for the designs of our apparel. The designs are finalized by our design team and ordered to our vendors for production. All our apparels go through the special washing process which enhances the feel and look of the final product. After receiving the final approval as regards the quality from us, the final products are sent to the warehouses. We also have our quality assurance team stationed at the manufacturing facilities of these vendors that ensure that the products are checked at each stage of the manufacturing cycle. Apart from the checking made at each stage, all the products go through a final checking by this quality assurance team before the products are delivered to our Company. At the delivery, the products are made to undergo a random sample check procedure.

Design and product innovation

We have a dedicated design team which is responsible for the design of our apparel products. Development of innovative designs is one of our core strengths and unique selling proposition of our products. We believe that design is one of the most critical elements in the premium and mid-premium fashion apparel industry. We have professionals in our design, development and merchandising department dedicated to developing new products, improving existing ones and forecasting fashion trends. We have a dedicated design team who follows the emerging global fashion trends for creation of the designs for our new collections. This keeps brand Being Human in sync with the latest International fashion trends. Our Company has direct access to the dealers and distributors and retailers and they conduct regular market surveys to understand consumer demand and feedback which is communicated to our design team. Our designers create a theme for a new collection, which becomes the basis for the choice of colours, fabrics and other characteristics based on international trends. They draw sketches and create a "storyboard" of designs to illustrate the flow of the collection, and these designs are submitted to the design head for approval. Once approved, sample fabrics are used to produce proto samples or rough apparel to get a preliminary idea of the finished products.

While certain basic designs are retained every year, we also introduce new fabrics and different textures of fabric in the making of the product, as per market preferences and tastes. Our design ideas and concepts are based on consumer feedback, national and international fashion trends, as well as insights from attending industry fairs.

Quality assurance

We understand that the brand equity that we enjoy from our flagship brand 'Being Human' has primarily been earned from the quality, comfort and style of our products over the years. In order to increase our brand equity and maintain the quality of our products, we follow a stringent quality control mechanism for all our products.

We provide detailed and specific instructions and designs to the vendors. We also have our quality assurance team stationed at the manufacturing facilities of these vendors that ensure that the products are checked at each stage of the manufacturing cycle. Apart from the checks made at each stage, all the products go through a final review by this quality assurance team before the products are delivered to our Company. At the delivery, the products are made to undergo a random sample check procedure. Such random sample check ensures that



our vendors and the quality assurance team stationed at the manufacturing facilities of the vendors undertake thorough quality control measures at each stage of the manufacturing process. Only once the final clearance of the products is received, the products are packed and warehoused.

Inventory Management

We believe that maintaining appropriate levels of inventory is critical to our overall profitability. In order to minimize the risk of building up aged inventories, it is our policy to regularly review the obsolescence of inventories based on their age. We monitor and analyse our inventory level at the 'Outlets' on a regular basis based on item-wise daily sales reports to identify slow- and fast-moving merchandise.

OUR DISTRIBUTION AND SALES NETWORK

As on September 30, 2016, our Company distributes Being Human Clothing through 537 retail selling points. Our distribution network comprises of 28 company owned exclusive brand outlet, 29 franchisee owned exclusive brand outlet including four overseas stores, 253 point of sales in domestic shop-in-shops forming part of large format stores (LFS) and multi brand outlet (MBOs), 12 distribution partners catering to 220 retailers and 7 online e-commerce selling points. Further, our Company also sells in international markets.

PRICING

Our apparel products are offered at various price points. We believe offering a broad range of price points maintains a more accessible, less intimidating atmosphere. Our ability to offer consumers reasonable prices on quality merchandise contributes to and, to a large extent, determines our market position. With respect to our other products, we determine our pricing based on market supply and demand, production cost and the prices of similar products offered by our competitors. We consult our marketing department before pricing of our products and consider their feedback at the time of fixing of the wholesale and the maximum retail price of our products.

BRAND MANAGEMENT AND MARKETING

We have entered into global exclusive license for the design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human". We have introduced a number of ranges under it and we seek to build on our brand equity based on such new products.

Our branding strategy focuses on the modern designs of our products to project Being Human's reputation in fashion trends and quality of apparel. Our marketing plan comprises advertising in print media, electronic advertising, endorsement by famous Indian personalities who also participate in our fashion shows, visual merchandising including revamped stores and strategic association with movies. We seek to enhance our brand image by controlling the distribution of our products. We sell our products through omni channels that we believe merchandise our products in an environment that supports and reinforces our brand and that provide a superior in-store experience. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share in pan India.

The visual merchandizing and marketing teams work together to present our products in an engaging and innovative manner and we are focused on enhancing our branding via television and print media as well as in direct mail, e-mail and social media in order to cater to consumers across our target consumer segment and with the aim to increase our brand awareness.

Our customer relationship and loyalty programs at the 'Being Human Exclusive Brand Outlets' aim to deepen our relationship with our customers and compliment the in-store experience. We send out regular updates to our loyalty programme members about new collections and end of season sales. We also use our website as an effective medium to support and supplement the promotion of our products and brand. In addition to our marketing events and endorsements, we plan to continue to familiarise retailers and distributors with our



product line and help them to more effectively sell our products to end customers, including through visual merchandising such as creating branded display counters at retail stores, which we believe improve our brand awareness and profile.

HUMAN RESOURCES

Our employees contribute significantly to our business operations. As of September 30, 2016, we have 576 employees, all of whom were employed on a full-time basis in our operations. We place significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills. Our success depends upon our ability to recruit, train and retain high quality professionals.

INTELLECTUAL PROPERTY

We have received the exclusive global right to design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human" trademark until March 31, 2020. Further, we have also filed trade mark applications, *inter alia*, in relation to the "MRVL" word mark, logo, combination of word and logo and label mark as appearing on the cover page of this Information Memorandum before The Registrar of Trade Marks, Mumbai ("Company Trade Marks") in 5 classes viz: 16; 24; 25; 35; and 43 vide application numbers 3245161 to 3245170 and 3245171 to 3245181 are currently pending for approval.

PROPERTIES

Our Company's registered and corporate office premises are owned by our Promoters & a Group Company and given to us on leave and license basis. We have 28 'Being Human Exclusive Brand Outlets' which have been obtained on either leave & license; lease; sub-lease; and tenancy basis and are situated on pan India basis.

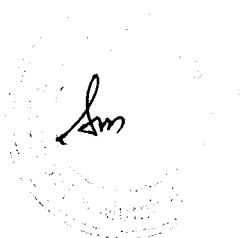
INSURANCE

Our Company has various insurance policies (including fire and burglary insurance with an additional cover for natural calamities like earthquake etc.) in respect of our business and for our assets such as stocks, furniture & fixtures, for our main offices, company owned exclusive brand outlets, cash in transit, goods in transit and for our stocks maintained at various warehouses.

COMPETITION

Many of our competitors are large apparel companies with strong brand recognition. However, the domestic apparel segment is fragmented and continues to be dominated by unorganised and regional suppliers. We compete primarily on the basis of brand image, style, performance and quality. We believe that in order to compete effectively, we must continue to maintain image and reputation of brand Being Human, be flexible and innovative in responding to rapidly changing market demands and consumer preferences, and offer consumers a wide variety of high quality apparel at competitive prices.

Many of our competitors, specifically the international brands, have significant competitive advantages, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of suppliers, greater brand recognition and greater financial, research and development, marketing, distribution and other resources than we do. The number of our direct competitors and the intensity of competition may increase as we expand into other product lines or as other companies expand into our product lines. Our competitors may enter into business combinations or alliances that strengthen their competitive positions or prevent us from taking advantage of such combinations or alliances. Our competitors also may be able to respond more quickly and effectively than we can to new or changing opportunities, standards or consumer preferences, which could result in a decline in our revenues and market share.



HISTORY OF OUR COMPANY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as 'Mandhana Retail Ventures Limited' vide Certificate of Incorporation dated February 12, 2011 by the Registrar of Companies, Maharashtra and obtained the Certificate of Commencement of Business on April 9, 2011 under the Companies Act, 1956. Our Company's name was changed to 'The Mandhana Retail Ventures Limited' vide a fresh certificate of incorporation consequent to change of name dated September 26, 2016 by the Registrar of Companies, Maharashtra under the Companies Act, 2013.

Pursuant to the Scheme and the relevant provisions of the Companies Act, the Hon'ble High Court of Judicature at Bombay has approved the demerger of the Retail Division (Being Human) of Mandhana Industries Limited into Mandhana Retail Ventures Limited. The retail division of MIL stands transferred and vested in MRVL with effect from 1st April, 2016 and from this date, Mandhana Retail Ventures Limited has commenced operating business of the Retail Division.

The Scheme has been effected for enhancing strategic flexibility to build a vibrant industrial platform, enabling a dedicated management focus and to accelerate growth of the Being Human Retail Division and thus, MRVL shares the same values we do.

Initial issued and paid up equity share capital of Mandhana Retail Ventures Limited, comprising of 50,000 equity shares of Rs. 10/- each, aggregating to Rs. 5,00,000/-, as held by promoters and promoter group stands cancelled pursuant to the Scheme.

Since incorporation, there are no changes in the main objects clause of our Company. We have amended Memorandum of Association in order to align it with the provisions of the Companies Act 2013 in the AGM held on September 7, 2016.

Main Objects of our Company

1. To carry on in India and abroad the business of acquiring, setting up, establishing, manufacturing, maintaining, promoting, operating, managing and dealing in single and/or multiple brands for garments, fabrics, apparels, fashion accessories through retail stores, retail formats, hyper markets, super markets, mega stores, discount stores, cash & carry, departmental stores, shoppers plaza and e-commerce and for such purpose to act as brand owner, licensee, franchisee, representative or distributors.
2. To acquire, set up, establish, maintain, run, promote, operate and manage retail stores, retail formats and other outlets, dealing in single and/or multiple brands for garments, fabrics, apparels, fashion accessories and for such purpose to act as a brand owner, licensee, franchisee, representative or distributor, in India and/or any part of the world.

Major events in the history of our Company

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

Year	Particulars
2011	Incorporation of our Company
2016	Pursuant to the Scheme, Retail Division (Being Human) of Mandhana Industries Limited transferred to our Company
2016	Entered into Trademark License Agreement with 'The Salman Khan Foundation'



Changes in Memorandum of Association

The authorised share capital has increased to Rs. 30,00,00,000/- divided into 3,00,00,000 equity shares of Rs.10/- each from Rs. 100,000,000/- divided into 10,000,000 equity shares of Rs.10/- each, pursuant to the approval by the members of our Company at their Extra-ordinary General Meeting held on January 19, 2015.

Changes in Registered Office

With effect from January 19, 2015 our Registered Office has shifted to E -132, MIDC, Tarapur Industrial Area, Boisar, Palghar - 401 506, Maharashtra, India from Unit 205 -214, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Maharashtra, India.

Scheme of Arrangement

The Hon'ble High Court of Judicature at Bombay, vide its order dated March 29, 2016 (filed with the ROC on March 31, 2016), has approved the Scheme of Arrangement between Mandhana Industries ("Demerged Company") and Mandhana Retail Ventures Limited ("Resulting Company") and their respective shareholders and creditors effective from April 1, 2016 (the Effective Date). For more details relating to the Scheme and Demerger, please refer to the chapter titled "Salient Features of the Scheme" beginning on page no. 31 of this Information Memorandum. In accordance with the Scheme, the Demerged Undertaking stands transferred to and vested with Mandhana Retail Ventures Limited w.e.f. April 1, 2014 (the Appointed Date) pursuant to Section 391 to 394 read with Section 100 to 103 of the Companies Act, 1956. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE and also subject to such other terms and conditions as prescribed by BSE and NSE at the time of application by our Company seeking listing. For more details relating to the Scheme and demerger please refer to the chapter titled "Salient Features of the Scheme" beginning on page 31 of this Information Memorandum.

Corporate Guarantees

Our Company has not issued any corporate guarantee(s).

Shareholders Agreement

There is no separate Shareholders Agreement executed between any shareholder and our Company.

Strategic / Financial Partners and other Material Contracts

Our Company does not have any strategic/financial partners and has not entered into any material contracts other than in the ordinary course of business.

Injunction or Restraining Order

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

Subsidiaries of our Company

Our Company does not have any subsidiary.



OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors. Currently, our Company has 6 Directors out of which 3 are Independent Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act and the Listing Agreements entered into by our Company with the Stock Exchanges and the norms of the code of corporate governance as applicable to listed companies in India.

Board of Directors

As on the date of this Information Memorandum, our Board comprises of:

Name / DIN / PAN/ Age	Date of Appointment	Designation	Address	Directorship in other Companies
Mr. Pradip V. Dubhashi DIN No.: 01445030 PAN No.: ABAPD7732R Age: 68 years	October 7, 2016	Chairman - Non-Executive & Independent Director	B 29, Abhimanshree Society, Pashan Road, Pune - 411008	1. Onward Technologies Limited; 2. Onward Eservices Limited; 3. Prime Securities Limited; 4. Roop Automotives Limited; 5. Microline India Private Limited; and 6. Divgi Metalwares Private Limited
Ms. Sangeeta M. Mandhana DIN No.: 06934972 PAN No.: AFXPM3220N Age : 46 years	August 5, 2016	Managing Director	22/23, Mount Unique, 62-A Peddar Road, Mumbai - 400026	Mandhana Industries Limited
Mr. Priyavrat P. Mandhana DIN No. : 02446722 PAN No. : APMPM6832M Age: 27 years	August 5, 2016	Executive Director	3003, Ashok Tower - B, Dr. S. S. Rao Road, Near Gandhi Hospital, Parel, Mumbai - 400012	Breakbounce India Limited
Mr. Sachin S. Jaju DIN No.: 01852535 PAN No.: AAWPJ6436H Age: 39 years	August 5, 2016	Non-Executive Director	501, Rajgir Court, Opp. Pritam Hotel, Dader (E), Mumbai - 400014	Nil



Name / DIN / PAN/ Age	Date of Appointment	Designation	Address	Directorship in other Companies
Mr. Ramnath Pradeep DIN No.: 02608230 PAN No.: ACHPP2234N Age: 65 years	October 7, 2016	Non-Executive & Independent Director	102, A-8E Tulip Bhakti Park Sector - 2, Anik Wadala Road, Wadala (E), Mumbai - 400037	1. Vidli Restaurants Limited; 2. Rolta India Limited; 3. Anand Teknow Aids Engineering India Limited; 4. Centbank Financial Services Limited; 5. Indian MSME Helpline Private Limited; and 6. Credit Rating & Risk Advisory Services Private Limited
Mr. Kiran C. Vaidya DIN No.: 02548532 PAN No.: AABPV1281H Age: 55 years	October 7, 2016	Non-Executive & Independent Director	801 Dhairya Residency, 12 th Road, Opp. Gayatri Mandir, Khar (W), Mumbai - 400052	Nil

Relationship between our Directors

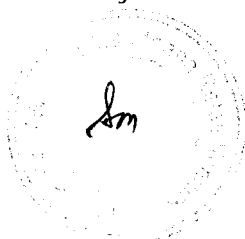
1.	Ms. Sangeeta M. Mandhana	Cousin Sister in Law of Mr. Priyavrat P. Mandhana and Mr. Sachin S. Jaju
2.	Mr. Priyavrat P. Mandhana	Cousin Brother in Law of Ms. Sangeeta M. Mandhana & Cousin Brother of Mr. Sachin S. Jaju
3.	Mr. Sachin S. Jaju	Cousin Brother of Mr. Priyavrat P. Mandhana and Cousin Brother in Law of Ms. Sangeeta M. Mandhana

Shareholding of Directors in our Company as on the date of this Information Memorandum:

Name of the Directors	Details of the Shareholding	
	Number of Shares held	Percentage of holding (%)
Ms. Sangeeta M. Mandhana	183,606	0.83%
Mr. Priyavrat P. Mandhana	1,313,873	5.95%
Mr. Sachin S. Jaju	35,333	0.16%
Mr. Pradip V. Dubhashi	Nil	Nil
Mr. Ramnath Pradeep	Nil	Nil
Mr. Kiran C. Vaidya	Nil	Nil

Brief Profile of the Directors:

Mr. Pradip V. Dubhashi, aged 68 years, was appointed as Chairman & Non-Executive & Independent Director on our Board on October 07, 2016. He has a BE in Electrical Engineering from CoEP (Pune) and a post graduate diploma in management from XLRI School of Management (Jamshedpur). He has spent 44 years in Development Banking, Industry and Strategy Consulting. He has been associated with the State Industrial and Investment Corporation of Maharashtra (SICOM), a premier development bank of its time; Mahindra Group for a span of almost 15 years in different capacities; Later he piloted a group company named Siroplast Ltd; After a short 18 month stint with the Venky group (numero Uno in poultry business), he set up his strategy consulting firm namely Innoven Business Consultancy in Pune to consult for new age businesses. Over last two decades,



he has consulted for several Indian and foreign companies including start-ups in technology and novel services area. He has helped in raising long term capital from PE/VC funds and also in M & A area. He holds directorships in Prime Securities Ltd (Chair), Onward Technologies Ltd (Audit Chair), Onward eServices Ltd (Audit Chair), and a few other unlisted companies.

Ms. Sangeeta M. Mandhana, aged 46, is a commerce graduate from Calcutta University. She has also done International Montessori course from London Montessori Centre, Calcutta and was into teaching profession for few years. With her aptitude for designing apparels and outfits which she eventually turned into her expertise and she was heading Design Department of Golden Seams Industries Private Limited as Vice-President - Design from July 1, 2011 till August 31, 2016. Ms. Sangeeta Mandhana is also accomplished teacher in Meditation techniques. She is member of Maharashtra State Women Council and in association with the Council she works for rehabilitation of destitute women and traumatized children amongst the other activities carried out by the Council.

Mr. Priyavrat P. Mandhana, aged 27 years, is a commerce graduate from Mumbai University and possesses more than 4 years of experience and exposure in MIL. He has also completed 'Masters of Innovation and Entrepreneurship' from University of Warwick, United Kingdom. He was looking after overall affairs of the MIL as especially textiles segment as Vice-President - Corporate Affairs from August 1, 2014 till August 31, 2016. Currently, he plays a vital role in strategizing and monitoring retail business of our Company.

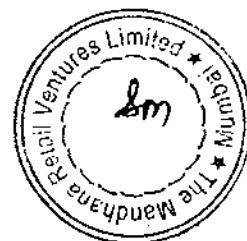
Mr. Sachin S. Jaju, aged 39 years is a commerce graduate and has a Masters in Accounts from the R.A. Poddar College, Mumbai. He has a Masters in Marketing from N.M.I.M.S, Vile Parle. He has hands on experience of 18 years in business. In 2001, he forged the group's entity into health and personal care segment with the vision of a finely balanced customer portfolio to offer continued & consistent growth. With a vision to bring another growth booster, in 2005 he maneuvered a dealership agreement with Dystar to import and market its products in India.

Mr. Ramnath Pradeep, aged 65 years, was appointed as Non-Executive & Independent Director on our Board on October 07, 2016. Mr. Ramnath Pradeep is a post graduate in Economics and Law. He has served the banking industry for more than 37 years in various positions. He retired as Chairman & Managing Director, Corporation Bank. Earlier he served as Executive Director of Central Bank of India and was appointed as Legal Adviser to ONGC LTD. The Government of India appointed him as Chief Vigilance Officer in State Bank of India in rank of DMD and Bank of India. He had also been on the Boards of IILFS, Cent Bank Financial Services Ltd, Cent Bank Home Finance Ltd, Corp Bank Security Ltd, Indian Institute of Banking and Finance Ltd, Zen Advisors Pvt. Ltd. He was also appointed by RBI and IBA to head various committees of Banks. Presently he is on the Board of M/s Credit Rating and Risk Advisory services PO Ltd, Rolta India Ltd, Vidli Restaurant Ltd, Anand Tecknow Aid Engineers Ltd and MSME helpline Pvt Ltd.

Mr. Kiran C. Vaidya, aged 55 years, was appointed as Non-Executive & Independent Director on our Board on October 07, 2016. He is a commerce graduate from Bangalore University. He was a rank holder and a Gold Medalist. He is also an associate member of Institute of Cost and Works Accountants of India. He has over 35 years of experience in various industries in the fields of Finance, accounts, costing, budgeting, project finance, working capital management, equity raising through IPO, QIP and private equity, mergers and acquisition, general overall business Management and strategic planning. His last assignment was with JBF Industries Ltd, as Group President and CFO.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Information Memorandum, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.



None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

Terms of appointment of the Managing Director

Ms. Sangeeta M. Mandhana was appointed as the Managing Director of our Company pursuant to the resolution passed by our Board on August 16, 2016 and the resolution passed by our shareholders on September 7, 2016, for the period commencing from September 1, 2016 up to and including August 31, 2019. Pursuant to the employment agreement dated September 28, 2016, entered into between Ms. Sangeeta M. Mandhana and our Company, she shall be entitled to the following remuneration as given hereunder:

I. Remuneration:

a) Salary:

Rs. 8,00,000/- (Rupees Eight Lac only) per month with such increments as may be decided by the Board of Directors (which includes any committee thereof) from time to time, but subject to the maximum salary of Rs. 16,00,000/- (Rupees Sixteen Lac only) per month.

b) Commission:

Payment of commission of such amount for each Corporate Financial Year, as may be decided by the Board of Directors (which includes any committee thereof) in its absolute discretion provided that aggregate commission paid to all the Whole time Directors in any Corporate Financial Year shall not exceed 1% of the net profits of the Company as appearing in the Audited Annual Accounts.

c) Perquisites:

(i) Medical Expenses

Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for himself and family.

(ii) Leave / Holiday Travel Expenses

Reimbursement of Leave/Holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of himself and family subject to the conditions that total reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated upto next two year.

(iii) Club Fee

Reimbursement of membership fee upto three clubs in India including admission and life membership fees.

(iv) Personal Accident Insurance

Personal Accident Insurance Policy of such amount as may be decided by the Whole time Director, the premium of which shall not exceed Rs. 15,000/- (Rupees Fifteen Thousand only) per annum.

(v) Contribution to Provident Fund, Superannuation and Annuity Fund

Company's contribution to Provident Fund and Superannuation or Annuity Fund not exceeding 30% of salary in aggregate.

(vi) Gratuity

Gratuity at the rate of half month's salary for each completed year of service.

(vii) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.



(viii) Electricity Expenses

Expenses pertaining to electricity at the residence of Ms. Sangeeta M. Mandhana will be borne / reimbursed by the Company.

(ix) Other perquisites

Subject to overall ceiling on remuneration mentioned hereinabove, Ms. Sangeeta M. Mandhana may be given any other allowances, benefits and perquisites as the Board of Directors (which includes any committee thereof) may from time to time decide and allowed under the provisions of the law.

d) Amenities:

(i) Conveyance facilities

Company shall provide suitable conveyance facilities as may be required by Ms. Sangeeta M. Mandhana.

(ii) Communication facilities

Company shall provide telephone, telefax and other communication facilities at the residence of Ms. Sangeeta M. Mandhana.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

II. Minimum Remuneration:

In the event of loss or inadequacy of profits in any corporate financial year during the currency of tenure of service of Ms. Sangeeta M. Mandhana, the aforesaid remuneration shall be paid as a minimum remuneration as provided under Section 197 and all other applicable provisions, if any, of the Companies Act, 2013.

III. Ms. Sangeeta M. Mandhana shall be entitled to be paid / reimbursed by the Company all costs, charges and expenses as may be incurred by her for the purpose of or on behalf of the Company.

Terms of appointment of the Executive Director

Mr. Priyavrat P. Mandhana was appointed as the Executive Director of our Company pursuant to the resolution passed by our Board on August 16, 2016 and the resolution passed by our shareholders on September 7, 2016, for the period commencing from September 1, 2016 up to and including August 31, 2019. Pursuant to the employment agreement dated September 28, 2016, entered into between Mr. Priyavrat P. Mandhana and our Company, he shall be entitled to the following remuneration as given hereunder:

I. Remuneration:

a) Salary:

Rs. 8,00,000/- (Rupees Eight Lac only) per month with such increments as may be decided by the Board of Directors (which includes any committee thereof) from time to time, but subject to the maximum salary of Rs. 16,00,000/- (Rupees Sixteen Lac only) per month.

b) Commission:

Payment of commission of such amount for each Corporate Financial Year, as may be decided by the Board of Directors (which includes any committee thereof) in its absolute discretion provided that aggregate commission paid to all the Whole time Directors in any Corporate Financial Year shall not exceed 1% of the net profits of the Company as appearing in the Audited Annual Accounts.



c) Perquisites:

(i) Medical Expenses

Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for himself and family.

(ii) Leave / Holiday Travel Expenses

Reimbursement of Leave/Holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of himself and family subject to the conditions that total reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated upto next two year.

(iii) Club Fee

Reimbursement of membership fee upto three clubs in India including admission and life membership fees.

(v) Personal Accident Insurance

Personal Accident Insurance Policy of such amount as may be decided by the Whole time Director, the premium of which shall not exceed Rs. 15,000/- (Rupees Fifteen Thousand only) per annum.

(v) Contribution to Provident Fund, Superannuation and Annuity Fund

Company's contribution to Provident Fund and Superannuation or Annuity Fund not exceeding 30% of salary in aggregate.

(vi) Gratuity

Gratuity at the rate of half month's salary for each completed year of service.

(vii) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

(viii) Electricity Expenses

Expenses pertaining to electricity at the residence of Mr. Priyavrat P. Mandhana will be borne / reimbursed by the Company.

(ix) Other perquisites

Subject to overall ceiling on remuneration mentioned hereinabove, Mr. Priyavrat P. Mandhana may be given any other allowances, benefits and perquisites as the Board of Directors (which includes any committee thereof) may from time to time decide and allowed under the provisions of the law.

d) Amenities:

(i) Conveyance facilities

Company shall provide suitable conveyance facilities as may be required by Mr. Priyavrat P. Mandhana.

(ii) Communication facilities

Company shall provide telephone, telefax and other communication facilities at the residence of Mr. Priyavrat P. Mandhana.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

II. Minimum Remuneration:

In the event of loss or inadequacy of profits in any corporate financial year during the currency of tenure of service of Mr. Priyavrat P. Mandhana, the aforesaid remuneration shall be paid as a minimum remuneration as provided under Section 197 and all other applicable provisions, if any, of the Companies Act, 2013.

III. Mr. Priyavrat P. Mandhana shall be entitled to be paid / reimbursed by the Company all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company.

Interest of our Directors

All Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof, reimbursement of expenses payable to them under our Articles of Association and commission payable to them as approved by our Board.

Our Executive Directors may be deemed to be interested to the extent of other remuneration & reimbursement of expenses payable to them under our Articles of Association and to the extent of remuneration paid to them for services rendered as officers of our Company or lease rent paid to them for the property occupied by our Company on Leave & License basis from Mr. Priyavrat P. Mandhana, our one of the Promoter. For details, please see section "Our Promoters" on page no 89 of this Information Memorandum.

Our Directors may also be regarded as interested in the Equity Shares that may be subscribed pursuant to the scheme, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters.

Except as disclosed in this Information Memorandum, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

Our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Further, our Directors have no interest in any property acquired within two years from the date of the Information Memorandum or any properties proposed to be acquired by our Company.

Except as stated in "Our Promoters" on page 89 of this Information Memorandum, our Directors do not have any other interests in our business.

No loans have been availed by our Directors or the Key Management Personnel from our Company.

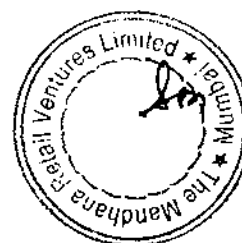
None of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company. For details, please see section "Financial Information" on page no 107 of this Information Memorandum. Further, except statutory benefits upon termination of their employment in our Company or retirement, none of our Directors are entitled to any benefits upon termination of employment.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on our Board or member of senior management.

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

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



Changes in our Board of Directors during the last three years

Name	Date of Appointment/ Change/ Cessation	Reason
Mr. Pradip V. Dubhashi	October 7, 2016	Appointment
Mr. Ramnath Pradeep	October 7, 2016	Appointment
Mr. Kiran C. Vaidya	October 7, 2016	Appointment
Mr. Manish B. Mandhana	August 8, 2016	Ceased to be Director, due to personal reasons.
Mr. Purushottam C. Mandhana	August 8, 2016	Ceased to be Director, due to personal reasons.
Mr. Bihirilal C. Mandhana	August 8, 2016	Ceased to be Director, due to health reasons.
Mr. Priyavrat P. Mandhana	August 5, 2016	Appointment
Ms. Sangeeta M. Mandhana	August 5, 2016	Appointment
Mr. Sachin S. Jaju	August 5, 2016	Appointment

Borrowing Powers of Board

Our Board is authorised to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution and/or eligible foreign lender and/or any entity/entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 1,000 Crores (Rupees One Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose.

Corporate Governance:

Our Board has constituted the following committees in compliance with the SEBI (LODR) Regulations and Companies Act, 2013 with respect to corporate governance as under:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholder's Relationship Committee; and
4. Corporate Social Responsibility Committee

1. Composition of Audit Committee

The Audit Committee was constituted vide Board Resolution dated October 7, 2016. The terms of reference of the Audit Committee cover the matters specified under Section 177 of the Companies Act, 2013 and clause Regulation 18 of SEBI (LODR) Regulations. The Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee
Mr. Kiran Vaidya	Chairman
Mr. Pradip V. Dubhashi	Member
Mr. Ramnath Pradeep	Member
Mr. Priyavrat P. Mandhana	Member

A. The role of the audit committee shall include the following:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of 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 quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, 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 of 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 review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.



B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted vide Board Resolution dated October 7, 2016. The terms of reference of the Nomination and Remuneration Committee cover the matters specified under Section 178 of the Companies Act, 2013 and clause Regulation 19 of SEBI (LODR) Regulations. The Nomination and Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee
Mr. Pradip V. Dubhashi	Chairman
Mr. Kiran Vaidya	Member
Mr. Sachin S. Jaju	Member

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. 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.

3. Composition of Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee was constituted vide Board Resolution dated October 7, 2016. The terms of reference of the Stakeholder's Relationship Committee cover the matters specified under Section 178(5) of the Companies Act, 2013 and clause Regulation 20 of SEBI (LODR) Regulations. The Stakeholder's Relationship Committee consists of the following Directors:

Name of the Director	Designation in the Committee
Mr. Sachin S. Jaju	Chairman
Mr. Priyavrat P. Mandhana	Member
Mr. Ramnath Pradeep	Member



The following are the terms of reference of the Stakeholder's Relationship Committee:

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends

4. Composition of the Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee was constituted vide Board Resolution dated October 7, 2016. The terms of reference of the Corporate Social Responsibility Committee cover the matters specified under Section 135 of the Companies Act, 2013 and clause Regulation 20 of SEBI (LODR) Regulations. The Corporate Social Responsibility Committee consists of the following Directors:

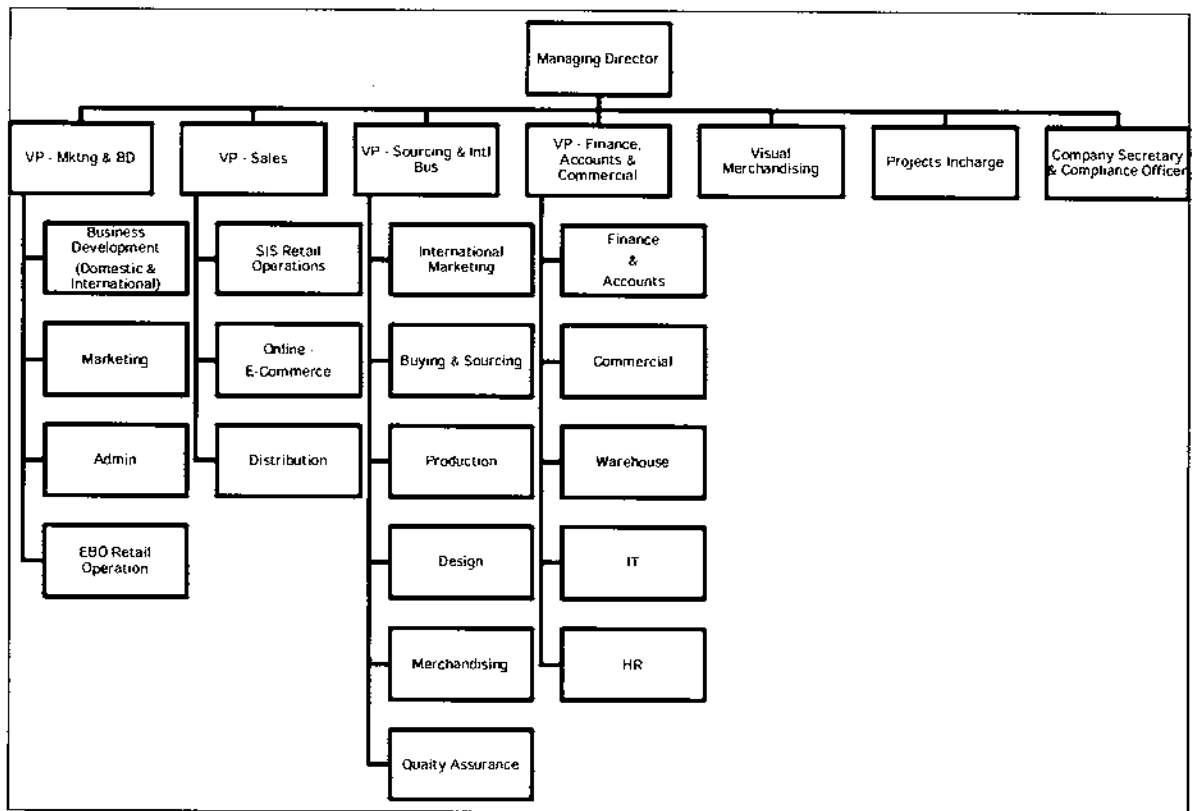
Name of the Director	Designation in the Committee
Mr. Ramnath Pradeep	Chairman
Mr. Pradip V. Dubhashi	Member
Ms. Sangeeta M. Mandhana	Member

The following are the terms of reference of the CSR Committee:

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 as amended from time to time;
2. recommend the amount of expenditure to be incurred on the activities referred to in Corporate Social Responsibility Policy of the Company; and
3. monitor and modify the Corporate Social Responsibility Policy of the company from time to time.



Organization Structure



Our Company is proposing to appoint a CEO and CFO.

Brief Profile of the Key Managerial Personnel

In addition to our Directors, the following are our Key Managerial Personnel. All the KMPs are permanent employees of our company. None of the below mentioned KMPs are related to each other.

1. Mr. Kunal Mehta, Vice President - Business Development & Marketing

Kunal Mehta, age 45 years is a Commerce Graduate from Mumbai University. He has a rich experience of over 26 years in Brand building, Business Development and Marketing. Mr. Mehta was an entrepreneur earlier where he was heading his own brand, called ICE into Manufacturing of Garment Retail & Exports. He joined Mandhana Industries Limited on June 1, 2013 as Head Business Development & Marketing. His services have been transferred from Mandhana Industries Limited to The Mandhana Retail Ventures Limited w.e.f. April 1, 2016. Currently, he holds the position of Vice President - Business Development & Marketing with The Mandhana Retail Ventures Limited and is responsible for the overall management of core business of the Brand which is strategic and operational Marketing, Franchise & Business Development, overseeing the day to day Operations for our EBOs, Customer Relationship Management, Administration, Logistics, Supply Chain Management & Retail Planning. The remuneration paid to him is inclusive of perquisites and other benefits.



2. Mr. Ritesh Bhardwaj, Vice President – Finance, Accounts & Commercial

Ritesh Bhardwaj, age 37 years is a Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). He has completed his Bachelors in Commerce from Rajasthan University. He comes with a rich experience of over 14 years in the field of Finance, Accounting and Commercial. He was previously associated with Siyaram Silk Mills Ltd in the position of Manager - Commercial and joined Mandhana Industries Limited on August 16, 2011 as Head - Commercial. His services have been transferred from Mandhana Industries Limited to The Mandhana Retail Ventures Limited w.e.f. April 1, 2016. Currently he holds the position of Vice President – Finance, Accounts & Commercial with The Mandhana Retail Ventures Limited, and is responsible for ensuring timely and accurate reporting of financial and management reports, budgeting, reviewing, formulating and implementing accounting systems and providing an analytical review of our Company's financial performance. He is also responsible for supervising the function of direct & indirect taxation departments of our company and for internal & statutory reporting. He is further entrusted with the responsibility of overseeing the day to day functioning of other core functions including Human Resources, Information Technology (IT) & Warehouse. The remuneration paid to him is inclusive of perquisites and other benefits.

3. Mr. Jagdish Pamwani, Vice President – Sales (SIS)

Jagdish Pamwani, age 51 years holds a Bachelor's degree in Commerce from Mumbai University and a Professional Development Program from Cornell University, New York. He has vast work experience of over 25 years in the field of sales and Marketing in Apparel and Textile industry. He was previously associated with Mahajan Industries as Director – Operations and with Mandhana Industries Limited from August 17, 2006 to March 31, 2016 as Vice President - Sales. Since April 1, 2016, he is designated as Vice President – Sales with The Mandhana Retail Ventures Limited and handling sales in the following verticals: Large format stores (LFS), Multi Brand Outlet (MBO), E Commerce & Distribution. The remuneration paid to him is inclusive of perquisites and other benefits.

4. Ms. Purvi Jagdish Joshi, Vice President – Sourcing & International Business

Purvi Jagdish Joshi, age 34 years holds a Bachelor's degree in Arts from SK Somaiya Institute, Mumbai University. She has to her credit a couple of other educational certifications including Fashion Designing & Apparel Merchandising from India International Trade Centre and Quality Assurance from Indian Institute of Quality Assurance and a Retail Management from Welingkar Institute, Mumbai. She has over 16 years of work experience in Garment and Apparel Industry. She was previously associated with Creative Garments in the field of Merchandising and with Mandhana Industries Limited as a Vice President – Sourcing and International Business from May 1, 2004 to March 31, 2016. Since April 1, 2016, she holds the position of Vice President – Sourcing and International Business with The Mandhana Retail Ventures Limited and handles end to end Designing, Merchandising, Quality Assurance, Buying & Sourcing, Production and International Marketing for our brand Being Human. The remuneration paid to her is inclusive of perquisites and other benefits.

5. Mr. Virendra Varma, Company Secretary & Compliance Officer

Virendra Varma, age 33 is the Company Secretary and Compliance Officer of our Company. He is an Associate Member of the Institute of Company Secretaries of India. He earned a degree of Bachelor of Commerce and also Bachelor of Laws degree from Mumbai University. He has over 7 years of professional experience in the field of Corporate Governance, Compliance, Secretarial and Administration of listed and unlisted companies in India and overseas. Previously he had worked with Mandhana Industries Limited and Everest Kanto Cylinder Limited.

Shareholding of Key Management Personnel

As of the date of this Information Memorandum, none of the Key Management Personnel hold any Equity Shares in our Company except Mr. Ritesh Bhardwaj holding 10,000 equity shares of our Company.



Interests of Key Management Personnel

None of our Key Management Personnel have any interests 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, reimbursement of expenses incurred by them during the ordinary course of business.

Changes in the Key Managerial Personnel:

The changes in our Key Management Personnel in the last three years are as follows:

Name	Date of Change	Reason
Mr. Virendra Varma	October 1, 2016	Appointed as Company Secretary and Compliance Officer
Mr. Kunal Mehta	April 1, 2016	Transferred from MIL as Vice President - Business Development & Marketing
Mr. Ritesh Bhardwaj	April 1, 2016	Transferred from MIL as Vice President - Finance, Accounts & Commercial
Mr. Jagdish Pamwani	April 1, 2016	Appointed as Vice President - Sales (SIS)
Ms. Purvi Jagdish Joshi	April 1, 2016	Appointed as Vice President - Sourcing & International Business

Employees

Pursuant to the Scheme, employees of Being Human Retail Division of MIL have been transferred to our Company. As on September 30, 2016, we have 576 employees on our Company's roll.



OUR PROMOTERS

Following are our Promoters:

1. Mr. Purushottam C. Mandhana;
2. Mr. Biharilal C. Mandhana;
3. Mr. Manish B. Mandhana;
4. Mr. Priyavrat P. Mandhana; and
5. M/s Purushottam C. Mandhana (HUF)

Details of our Promoters are given in the following table:

Photograph	Profile	Directorship held in Corporates
	Mr. Purushottam C. Mandhana, 60 years is also a Promoter and Executive Chairman-cum-Managing Director of MIL. Mr. Purushottam Mandhana was one of the subscribers to the Memorandum of Association of our Company. He holds a bachelor's degree in Commerce from the University of Rajasthan and has over 41 years of experience in the textile industry. He is well versed with different textile technologies like dyeing and processing. He has successfully set up the weaving unit and has also played a pivotal role in the modernisation of process unit of MIL. Under his administrative supervision, MIL's export division has performed consistently. He currently oversees the overall management of all the divisions of MIL. Driving License No.: Not Available Voter ID No.: MT/04/024/258872.	1. Mandhana Industries Limited 2. Mahan Synthetic Textiles Private Limited; 3. Golden Seams Industries Private Limited; 4. Sundhya Chhaya Finvest Private Limited; 5. Dhumketu Finvest Private Limited; 6. Mandhana -WD Limited; and 7. CKM investments Private Limited
	Mr. Biharilal C. Mandhana, 70 years, is also a Promoter of MIL. Mr. Biharilal Mandhana was one of the subscribers to the Memorandum of Association of our Company. He holds a bachelor's degree in Commerce from the University of Rajasthan and has over 41 years of experience in the textile business. He has successfully introduced various varieties of fabric for MIL and has thus, ensured a good market position for MIL. His experience in the industry had served MIL in a big way. Driving License No.: Not Available Voter ID No.: MT/04/024/258732.	1. Mandhana -WD Limited; 2. Mahan Synthetic Textiles Private Limited; and 3. Sundhya Chhaya Finvest Private Limited.



Photograph	Profile	Directorship held in Companies
	Mr. Manish B. Mandhana, 47 years, is also a Promoter and Executive Joint Managing Director of MIL. Mr. Manish Mandhana is one of the Promoters of our Company. He holds a Bachelor's Degree in Commerce from Mumbai University and has over 21 years of experience in the textile industry. He is in overall charge of the export activities of MIL. His marketing and administrative abilities have helped MIL's export division grow rapidly. He is in sync with the latest trends in the export market and understands the taste of the foreign fashion industry. He currently oversees export of garments in MIL. Driving License No.: Not Available Voter ID No.: ISD2104511	1. Mandhana Industries Limited; 2. Mandhana -WD Limited; 3. Golden Seams Industries Private Limited; and 4. Dhumketu Finvest Private Limited.
	Mr. Priyavrat P. Mandhana, 27 years, is the Promoter and Executive Director of our Company. Mr. Priyavrat Mandhana is one of the Promoters of our Company. He is a commerce graduate from Mumbai University and possesses more than 4 years of experience. He has also completed 'Masters of Innovation and Entrepreneurship' from University of Warwick, United Kingdom. He assists in looking after the overall affairs of the Company and has also played a vital role in assisting in strategizing and monitoring retail business. Driving License No.: MH02-2008-0193646 Voter ID No.: SOK1299213	For details pertaining to his directorships please refer to the section titled 'Our Management' beginning on page 75 of this Information Memorandum.
	Purushottam C. Mandhana [HUF] Our Promoter, Mr. Purushottam C. Mandhana is the Karta of Purushottam C. Mandhana (HUF); the other members of this HUF are Ms. Prema P. Mandhana (Spouse) and Mr. Priyavrat P. Mandhana (Son).	NA

We confirm that the Permanent Account Number, bank account number and passport number of our Promoters have been submitted to BSE and NSE at the time of filing the Information Memorandum with the Stock Exchanges.

For details pertaining to other ventures of our Promoters please refer to section titled "Our Group Entities" beginning on page 95 of this Information Memorandum.



Relationship of Promoters with each other and with our Directors

Sr. No.	Name	Status	Relationship
1	Mr. Purushottam C. Mandhana	Promoter	• Brother of Mr. Biharilal C. Mandhana; • Uncle of Mr. Manish B. Mandhana; • Father of Mr. Priyavrat P. Mandhana; • Uncle in law of Ms. Sangeeta M. Mandhana; and • Maternal Uncle of Mr. Sachin S. Jaju.
2	Mr. Biharilal C. Mandhana	Promoter	• Brother of Mr. Purushottam C. Mandhana; • Father of Mr. Manish P. Mandhana; • Uncle of Mr. Priyavrat P. Mandhana • Father-in-law of Ms. Sangeeta M. Mandhana; and • Maternal Uncle of Mr. Sachin S. Jaju
3	Mr. Manish B. Mandhana	Promoter	• Son of Mr. Biharilal C. Mandhana; • Nephew of Mr. Purushottam C. Mandhana; • Cousin of Mr. Priyavrat P. Mandhana; • Husband of Ms. Sangeeta M. Mandhana; and • Cousin of Mr. Sachin S. Jaju
4	Ms. Sangeeta M. Mandhana	Promoter Group /Managing Director	• Wife of Mr. Manish B. Mandhana; • Daughter in law of Mr. Biharilal C. Mandhana; • Daughter in law of Mr. Purushottam C. Mandhana; • Cousin Sister in law of Mr. Priyavrat P. Mandhana; and • Cousin Sister in Law of Mr. Sachin S. Jaju
5	Mr. Priyavrat P. Mandhana	Promoter/ and Executive Director	• Son of Mr. Purushottam C. Mandhana; • Nephew of Mr. Biharilal C. Mandhana; • Cousin of Mr. Manish B. Mandhana; • Cousin in Law of Ms. Sangeeta M. Mandhana; and • Cousin of Mr. Sachin S. Jaju
6	Mr. Sachin S. Jaju	Non-Executive Director	• Nephew of Mr. Purushottam C. Mandhana; • Nephew of Mr. Biharilal C. Mandhana; • Cousin of Mr. Manish B. Mandhana; • Cousin of Mr. Priyavrat P. Mandhana; and • Cousin Brother in Law of Ms. Sangeeta M. Mandhana

Common Pursuits

While we believe that all our related party transactions have been conducted on arm's length basis, our Promoter and members of the Promoter Group have interests in other companies and entities that may compete with us. Certain of our Group Companies are authorized to carry out common business objects with our Company.

Mandhana Industries Limited, one of our Group Entities, incorporated on July 25, 1984, is authorized to undertake and engage in or to carry on the activity of textile processes like calendaring, sizing, dyeing, bleaching, shrinking, finishing, mercerising, texturing, printing, stamping and other textile processes for yarns, threads, woven or non-woven fabrics, hosiery, knitted garments and apparels, made of cotton, jute, hemp silk, art silk, nylon, wool, synthetic, man-made fibres and filaments like terence, terecot, polyester and others being produced and used at present and as may be produced and used in future.

Mahan Synthetic Textiles Private Limited, one of our Group Entities, incorporated on February 28, 1991 is authorised to carry on the business of processing, selling, importing, exporting, distributing and dealing in synthetic and synthetic blends, both with natural and artificial fibres.



Golden Seams Industries Private Limited, one of our Group Entities, incorporated on March 26, 2004 is authorised to carry on the business of textiles. As on date, Golden Seams is engaged *inter alia* in the business of manufacturing, export, sale and trading of garments (bottom wear).

Breakbounce India Limited, one of our Group Entities, incorporated on May 5, 2013, is authorised to carry on and run the business retailing textile fabrics made of natural & man-made fibers, all kinds of fashion wear and work wear including foot wear and all accessories relating to work and fashion wear, bags and allied products of all kinds & descriptions.

Mandhana -WD Limited, one of our Group Entities, incorporated on January 10, 2013, is authorised to carry on and run business of retailing all textile fabrics made of natural & man-made fibers, all kinds of work wear and fashion wear including foot wear and all accessories relating to work and fashion wear, bags and allied products of all kinds & descriptions.

M/s. Balaji Corporation, one of our Group entities, is a partnership firm formed under a partnership deed dated May 05, 2003. M/s. Balaji Corporation is engaged *inter alia* in the business of trading and commission income arising there from in textiles.

Interest of Promoters

Our Promoters do not have any interest in the promotion of our Company, save and except the rent received from our Company for using the following properties:

- (i) Unit No. 6,7 & 8 at Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai – 400 012 owned by Mr. Manish B. Mandhana & Mr. Priyavrat P. Mandhana *vide* leave and license agreement dated June 01, 2015 and deed of adherence to leave and license dated May 04, 2016;
- (ii) Unit No. 11 at Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai – 400 012 owned by Mr. Priyavrat P. Mandhana *vide* leave and license agreement dated February 15, 2016 and deed of adherence to leave and license dated May 04, 2016;
- (iii) Unit No. 14 at Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai – 400 012 owned by Mandhana Industries Limited, wherein our Promoters are interested *vide* leave and license agreement dated May 1, 2016; and
- (iv) Plot number E-132, MIDC, Tarapur Industrial Area, Boisar, Palghar – 401 506, Maharashtra, India owned by Mandhana Industries Limited, wherein our Promoters are interested *vide* leave and license agreement dated April 1, 2016

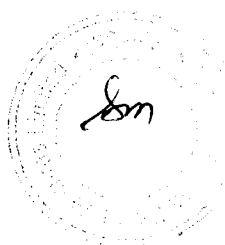
Further, save and except as stated otherwise in the section titled '*Our Business Overview*', '*Our Management*' and '*Financial Information*' beginning on page nos. 67, 75 and 107, respectively of this Information Memorandum, and to the extent of Equity Shares held by them, our Promoters do not have any other interests in our Company as on the date of filing of this Information Memorandum with the Stock Exchanges.

Payment or Benefit to our Promoters

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Information Memorandum except as mentioned/referred to in this section and in the section titled '*Our Management*' and in the section titled '*Financial Information*' beginning on pages 75 and 107 respectively, of this Information Memorandum.

There is no bonus or profit sharing plan for our Promoters except with Ms. Sangeeta M. Mandhana and Mr. Priyavrat P. Mandhana *inter alia* as under:

"Payment of commission of such amount for each Corporate Financial Year, as may be decided by the Board of Directors (which includes any committee thereof) in its absolute discretion provided that aggregate commission paid to each of the Managing Director and Whole Time Director in any Corporate Financial Year shall not exceed 1% of the net profits of our Company as appearing in the Audited Annual Accounts."



Confirmations

Our Promoters has not been declared as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Except as disclosed herein, there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

Our Promoters and our Group Entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of this Information Memorandum against our Promoters, except as disclosed under "Outstanding Litigations and Material Developments" beginning on page 141 of this information memorandum.

Our Promoters have not and have never been promoters, directors or persons in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Companies with which our Promoter has disassociated in the last three years

Our Promoter has not disassociated itself from any of the companies during the preceding three years.



OUR PROMOTER GROUP

Persons constituting our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI Regulations are set out below:

A. Our Promoter Group includes following individuals:

1. Ms. Prema Mandhana - Wife of Mr. Purushottam Mandhana and mother of Mr. Priyavrat Mandhana;
2. Ms. Sudha Mandhana - Wife of Mr. Biharilal Mandhana and mother of Mr. Manish Mandhana;
3. Ms. Sangeeta Mandhana - Wife of Mr. Manish Mandhana;
4. Ms. Preeti Mandhana - Wife of Mr. Priyavrat Mandhana;
5. Mr. Vinay Mandhana - Son of Mr. Biharilal Mandhana and Brother of Mr. Manish Mandhana;
6. M/s Biharilal Mandhana (HUF);
7. M/s Manish Mandhana (HUF);
8. Master Arnav Mandhana - Son of Mr. Manish Mandhana;
9. Ms. Muskaan Mandhana - Daughter of Mr. Manish Mandhana;
10. Ms. Poorvi Jithalia - Daughter of Mr. Purushottam Mandhana and sister of Mr. Priyavrat Mandhana;
11. Ms. Preeti Mandhana - Daughter of Mr. Purushottam Mandhana and sister of Mr. Priyavrat Mandhana;
12. Ms. Kamiabai Rathi - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana;
13. Ms. Tulsibai Chandak - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana;
14. Ms. Bhagwati Chandak - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana;
15. Ms. Chanda Jaju - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana;
16. Ms. Mangala Somani - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana;
17. Ms. Shakuntala Dargad - Sister of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana; and
18. Ms. Archana Seth - Daughter of Mr. Biharilal Mandhana and sister of Mr. Manish Mandhana.

Mr. Narayandas Mandhana and Mr. Govindlal Mandhana, the brothers of Mr. Purushottam Mandhana and Mr. Biharilal Mandhana have their own ventures, which they have promoted or in which they hold substantial equity interest. However, they do not hold any interest, equity or otherwise, in the business, properties, companies or firms of Mr. Purushottam Mandhana family, Biharilal C. Mandhana family or Mandhana Retail Ventures Limited. In addition the Promoters of Mandhana Retail Ventures Limited and the ventures promoted by them do not have any ownership interest in such ventures of Mr. Narayandas Mandhana and Mr. Govindlal Mandhana. Accordingly, information regarding the ventures of Mr. Narayandas Mandhana and Mr. Govinddas Mandhana have not been disclosed in this Information Memorandum.

B. We have nine Promoter Group entities, namely:

1. Mandhana Industries Limited;
2. Sundhya Chhaya Finvest Private Limited;
3. Ashlesha Finvest Private Limited;
4. Dhumketu Finvest Private Limited;
5. Mahan Synthetic Textiles Private Limited;
6. Golden Seams Industries Private Limited;
7. Mandhana -WD Limited;
8. Breakbounce India Limited; and
9. M/s Balaji Corporation.

For details pertaining to our Promoter Group entities, please refer to section titled "Our Group Entities" beginning on page 95 of this Information Memorandum.



OUR GROUP ENTITIES

Pursuant to Clause (IX)(C)(2) of Part A of Schedule VIII of the SEBI (ICDR) Regulations, 2009, the financial and other information of the group companies are given below:

Following are our nine Group Companies:

1. Mandhana Industries Limited;
2. Sundhya Chhaya Finvest Private Limited;
3. Ashlesha Finvest Private Limited;
4. Dhumketu Finvest Private Limited;
5. Mahan Synthetic Textiles Private Limited;
6. Golden Seams Industries Private Limited;
7. Mandhana -WD Limited;
8. Breakbounc India Limited; and
9. M/s Balaji Corporation.

1. Mandhana Industries Limited

Corporate Information:

Mandhana Industries Limited was originally incorporated at Mumbai on July 25, 1984 as "Mandhana Textile Mills Private Limited" under the Companies Act, 1956, with registration number 11- 33553 of 1984. With effect from July 1, 1993, MIL was converted into a deemed public limited company under Section 43A of the Companies Act, 1956. On April 18, 1995 the name of MIL was changed from "Mandhana Textile Mills Limited" to "Mandhana Industries Limited". On March 27, 2002, pursuant to Section 43A (2A) of the Companies Act, 1956, MIL was converted from a deemed public limited company to a private limited company whereby the name of MIL was changed to "Mandhana Industries Private Limited". On May 15, 2007, Mandhana Industries Private Limited was further converted into a public limited company and the name was changed to "Mandhana Industries Limited". The main objects of MIL is to undertake and engage in or to carry on the activity of textile processes like calendaring, sizing, dyeing, bleaching, shrinking, finishing, mercerising, texturing, printing, stamping and other textile processes for yarns, threads, woven or non-woven fabrics, hosiery, knitted garments and apparels, made of cotton, jute, hemp silk, art silk, nylon, wool, synthetic, man-made fibres and filaments like terence, terecot, polyester and others being produced and used at present and as may be produced and used in future.

The Corporate Identity Number of MIL is L17120MH1984PLC033553.

Business:

MIL is a vertically integrated textile and garment manufacturing company in India having presence across operations ranging from yarn dyeing to garment manufacturing. MIL operations and facilities enable us to manufacture a wide variety of value-added fabrics and garments through their integrated operations comprising of dyeing of yarns and fabrics, weaving operations for fabrics, processing solutions for both, fabrics and garments, garment manufacturing, domain expertise in providing sampling and designing for both fabrics and garments.

Interest of our Promoter

Our Promoter holds 57.58% of the total issued and paid up equity share capital of MIL as on the date of this Information Memorandum.



Financial Information

The operating results of MIL for the last three Financial Years are as follows:

(Rs. in Lacs)

Particulars	FY 2016@	FY 2015@	FY 2015#	FY 2014#
Sales and other Income	165,363.40	154,293.01	169,246.06	151,492.25
Profit / Loss after tax	5,713.00	6,272.27	8,308.60	5,924.26
Equity Capital	3,312.39	3,312.39	3,312.39	3,312.39
Reserves and Surplus	57,055.40	52,139.76	56,384.35	49,037.44
Earnings per share in Rupees (of Rs.10 each)	17.25	18.94	25.08	17.89
Book value per share in Rupees (of Rs.10 each)	182.25	167.41	180.22	158.04

@ Audited Financial Results for the Year ended March, 31, 2016; please note consequent of the demerger, the result of the discontinued Retail Division of MIL is not included for current as well as previous periods given above.

Annual Report for financial year 2015, prior to demerger of MRVL from MIL.

Share Price Information

The equity shares of MIL having a face value of Rs. 10 each are listed on the BSE and NSE.

The monthly high and low of the Adjusted Closing Market Price of the equity shares of MIL for last six month is set forth below:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
September, 2016	54.26	32.95	54.74	31.60
August, 2016	44.84	26.38	45.38	26.36
July, 2016	40.24	19.74	40.22	19.72
June, 2016	121.32	42.34	122.60	42.32
May, 2016	129.08	120.86	129.12	120.96
April, 2016	128.80	122.40	128.34	121.66

The closing market price of the equity shares of MIL as on September 30, 2016 on BSE and NSE was Rs. 32.95 per equity share and Rs. 31.60 per equity share, respectively.

The market capitalization of MIL as of September 30, 2016 was Rs. 109.14 crs. (as per BSE closing price).

There has been no change in the capital structure of MIL in the preceding three years.

There was no public issues or rights issues in the preceding three years.

Shortfall in performance vis-à-vis the objects of the offer

There were no projections made in the offer document of MIL.

Other Disclosures

1. Due to lack of quorum in the Audit Committee and Board of Directors of MIL in terms of the requirement of constitution of the Board and the Audit Committee under regulations 17 and 18 of SEBI (LODR) Regulations, MIL is unable to hold the meeting to consider and take on record the Unaudited Financial Results for the quarter ended June 30, 2016.
2. As on September 30, 2016, MIL has defaulted in repayment of dues to the Banks/NBFCs/FIs. For details pertaining to over dues, please refer to section titled "Internal Risk Factors" and "Outstanding Litigations and Material Developments" beginning on page 9 and 141 respectively of this Information Memorandum. No proceedings have been initiated for economic offences.

2. Sundhya Chhaya Finvest Private Limited ("Sundhya Chhaya")

Sundhya Chhaya was incorporated on July 27, 1995 having Registration No. 11-91094 of 1995 and CIN U65920MH1995PTC091094. The registered office of Sundhya Chhaya is 014, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Sundhya Chhaya is authorised to carry on the business of money lending, investment in securities as well as land and buildings. However, as on date, Sundhya Chhaya is not carrying on any business.

Board of Directors:

As on the date of this Information Memorandum, Sundhya Chhaya has two directors, as detailed herein below:

Name	Designation
Mr. Purushottam C. Mandhana	Director
Mr. Biharilal C. Mandhana	Director

Shareholding Pattern:

The equity shares of Sundhya Chhaya are not listed on any stock exchange. The shareholding pattern of Sundhya Chhaya as on the date of this Information Memorandum is as follows

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	5,000	50
Mr. Biharilal C. Mandhana	5,000	50
Total	10,000	100

Financial Performance:

The Summary audited financial statements of Sundhya Chhaya for the last three fiscals are as follows:

Particulars	(Rs. In lacs)		
	FY 2016	FY 2015	FY 2014
Sales and other income	-	-	-
Profit / Loss after tax	(11.14)	(0.51)	(17.79)
Equity Capital	1.00	1.00	1.00
Reserves and Surplus	(30.24)	(19.10)	(18.59)
Earnings per share in Rupees (of Rs.10 each)	(111.41)	(5.11)	(177.89)
Book value per share in Rupees (of Rs.10 each)	(292.43)	(181.02)	(175.91)

As on March 31, 2016, Net worth of Sundhya Chhaya has been fully eroded which cast significant doubt to continue as a going concern. There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

3. Ashlesha Finvest Private Limited ("Ashlesha Finvest")

Ashlesha Finvest Private Limited was incorporated on July 21, 1995 having Registration No. 11-90876 of 1995 and CIN U65990MH1995PTC090876. Ashlesha Finvest has its registered office at 014, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Ashlesha Finvest is authorised to carry on the business of money lending, investment in securities as well as land and buildings.

Board of Directors:

As on the date of this Information Memorandum, Ashlesha Finvest has two directors as detailed herein below:

Name	Designation
Mr. Kishor D. Bane	Director
Mr. Pravin V. Lad	Director



Shareholding Pattern:

The equity shares of Ashlesha Finvest are not listed on any stock exchange. The shareholding pattern of Ashlesha Finvest as on the date of this Information Memorandum is as follows:

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	99,980	49.99
Mr. Manish B. Mandhana	99,970	49.98
Mr. Purushottam C. Mandhana (HUF)	10	0.01
Ms. Prema P. Mandhana jointly with Ms. Sudha B. Mandhana & Ms. Sangeeta M. Mandhana	10	0.01
Mr. Biharilal C. Mandhana	10	0.01
Mr. Biharilal C. Mandhana (HUF)	10	Negligible
Mr. Manish B. Mandhana (HUF)	10	Negligible
Total	200,000	100.00

Financial Performance:

The Summary audited financial statements of Ashlesha Finvest for the last three fiscals are as follows:

(Rs. In lacs)			
Particulars	FY 2016	FY 2015	FY 2014
Sales and other Income	53.03	36.94	51.10
Profit / Loss after tax	(3.76)	(1.72)	(33.64)
Equity Capital	20.00	20.00	20.00
Reserves and Surplus	(50.23)	(46.47)	(44.75)
Earnings per share in Rupees (of Rs.10 each)	(1.88)	(0.86)	(16.82)
Book value per share in Rupees (of Rs.10 each)	(15.12)	(13.24)	(12.37)

As on March 31, 2016, Net worth of Ashlesha Finvest has been fully eroded which cast significant doubt to continue as a going concern. There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

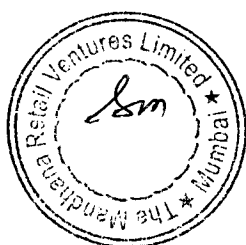
4. Dhumketu Finvest Private Limited ("Dhumketu Finvest")

Dhumketu Finvest Private Limited was incorporated on August 7, 1995 having Registration No. 11-91455 of 1995 and CIN U67120MH1995PTC091455. Dhumketu Finvest has its registered office at 014, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Dhumketu Finvest is authorised to carry on the business of money lending, investment in securities as well as land and buildings.

Board of Directors:

As on the date of this Information Memorandum, Dhumketu Finvest has two directors as detailed herein below:

Name	Position
Mr. Purushottam C. Mandhana	Director
Mr. Manish B. Mandhana	Director



Shareholding Pattern:

The equity shares of Dhumketu Finvest are not listed on any stock exchange. The shareholding pattern of Dhumketu Finvest as on the date of this Information Memorandum is as follows

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	5,000	50
Mr. Manish B. Mandhana	5,000	50
Total	10,000	100

Financial Performance:

The Summary audited financial statements of Dhumketu Finvest for the last three fiscals are as follows:

Particulars	(Rs. In lacs)		
	FY 2016	FY 2015	FY 2014
Sales and other Income	7.22	7.98	57.04
Profit / Loss after tax	5.73	5.87	(174.74)
Equity Capital	1.00	1.00	1.00
Reserves and Surplus	(405.69)	(411.42)	(417.29)
Earnings per share in Rupees (of Rs.10 each)	57.28	58.72	(1,747.44)
Book value per share in Rupees (of Rs.10 each)	(4,046.91)	(4,104.19)	(4,162.91)

As on March 31, 2016, Net worth of Dhumketu Finvest has been fully eroded which cast significant doubt to continue as a going concern. There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

5. Mahan Synthetic Textiles Private Limited ("Mahan Synthetic")

Mahan Synthetic Textile Private Limited was incorporated on March 17, 1977 having Registration No. 11-19556 of 1977 and CIN U17120MH1977PTC019556. Mahan Synthetic has its registered office at 205/214, Peninsula Centre, Dr. S.S. Rao Road, Off Ambedkar Road, Parel (E), Mumbai 400 012. Mahan Synthetic is authorised to carry on the business of processing, selling, importing, exporting, distributing and dealing in synthetic and synthetic blends, both with natural and artificial fibers.

Board of Directors:

As on the date of this Information Memorandum, Mahan Synthetic has two directors as detailed herein below:

Name	Position
Mr. Purushottam C. Mandhana	Director
Mr. Biharilal C. Mandhana	Director

Shareholding Pattern:

The equity shares of Mahan Synthetic are not listed on any stock exchange. The shareholding pattern of Mahan Synthetic as on the date of this Information Memorandum is as follows:

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Biharilal C. Mandhana	1,240	12.25
Mr. Biharilal C. Mandhana and Mrs. Sudha B. Mandhana (joint holders)	300	2.96
Ms. Sudha B. Mandhana	970	9.58
Mr. Manish B. Mandhana	1,240	12.25
Ms. Sangeeta M. Mandhana	1,290	12.75



Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	490	4.84
Mr. Purushottam C. Mandhana and Ms. Prema P. Mandhana (joint holders)	1,550	15.32
Ms. Prema P. Mandhana	1,450	14.33
Ms. Preeti P. Mandhana	250	2.47
Mr. Priyavrat P. Mandhana	1,310	12.94
Mr. Purushottam C. Mandhana (HUF)	10	0.10
Mr. Biharilal C. Mandhana (HUF)	10	0.10
Mr. Manish B. Mandhana (HUF)	10	0.10
Total	10,120	100.00

Financial Performance:

The Summary audited financial statements of Mahan Synthetic for the last three fiscals are as follows:

(Rs. In lacs)			
Particulars	FY 2016	FY 2015	FY 2014
Sales and other Income	714.32	379.22	91.15
Profit / Loss after tax	(1,232.35)	(592.79)	(499.77)
Equity Capital	10.12	10.12	10.12
Reserves and Surplus	(2,662.11)	(1,429.75)	(836.97)
Earnings per share in Rupees (of Rs.100 each)	(12,177.41)	(5,857.58)	(4,938.48)
Book value per share in Rupees (of Rs.100 each)	(26,205.42)	(14,028.01)	(8,170.43)

As on March 31, 2016, the Net worth of Mahan Synthetic has been eroded and defaulted in repayment of dues to the debenture holder on even date. No proceedings have been initiated for economic offences. For details pertaining to over dues as on September 30, 2016, please refer to section titled "Internal Risk Factors" and "Outstanding Litigations and Material Developments" beginning on page 9 and 141 respectively of this Information Memorandum. No proceedings have been initiated for economic offences.

6. Golden Seams Industries Private Limited ("Golden Seams")

Golden Seam Textiles Private Limited was incorporated on March 26, 2004 having Registration No. 11-145341 of 2004 and CIN as U17120MH2004PTC145341. On February 12, 2014, the name of Golden Seams Industries Private Limited was changed from "Golden Seam Textiles Private Limited". Golden Seams has its registered office at 014, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Golden Seams is authorised to carry on the business of textiles. As on date Golden Seams is engaged *inter alia* in the business of manufacturing, export, sale and trading of garments (bottom wear's).

Board of Directors:

As on the date of this Information Memorandum, Golden Seams has four directors as detailed herein below:

Name	Position
Mr. Purushottam C. Mandhana	Director
Mr. Manish B. Mandhana	Director
Mr. Sanjeev S. Mukhija	Director
Ms. Minal R. Mukhija	Director



Shareholding Pattern:

The equity shares of Golden Seams are not listed on any stock exchange. The shareholding pattern of Golden Seams as on the date of this Information Memorandum is as follows:

Name of Shareholders	Number of shares	Percentage of share capital
IDBI Trusteeship Services Limited*	6,069,930	99.02
Mr. Sanjeev S. Mukhija	60,000	0.08
Mr. Shyamsunder J. Mukhija	10	Negligible
M/s Balaji Corporation (Partnership Firm)	10	Negligible
Mr. Rajeev Oberoi	10	Negligible
Ms. Prema P. Mandhana	10	Negligible
Ms. Sudha B. Mandhana	10	Negligible
Ms. Sangeeta M. Mandhana	10	Negligible
Ms. Anju Mukhija	5	Negligible
Mr. Narain Das Mukhija	5	Negligible
Total	6,130,000	100.00

* The shares of following shareholders/promoters were pledged as collateral for availing corporate loan of Rs. 80 crores for another group company namely Mahan Synthetic Textiles Private Limited through private placement of Unsecured Redeemable Non - Convertible Debentures. Due to default in repayment of loan, the lender has invoked the pledge shares and the same has been transferred in the name of the Debenture Trustees.

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	1,532,430	25.00
Mr. Manish B. Mandhana	1,532,500	25.00
Mr. Sanjeev S. Mukhija	1,472,500	24.02
Ms. Minal R. Mukhija	1,532,500	25.00
Total	6,069,930	99.02

Financial Performance:

The Summary audited financial statements of Golden Seams for the last three fiscals are as follows:

Particulars	FY 2016	FY 2015	FY 2014
Sales and other income	16,730.81	14,577.47	11,731.92
Profit / Loss after tax	104.85	297.15	244.58
Equity Capital	613.00	613.00	613.00
Reserves and Surplus	1,380.42	1,275.57	979.99
Earnings per share in Rupees (of Rs.10 each)	1.71	4.85	3.99
Book value per share in Rupees (of Rs.10 each)	32.52	30.81	25.99

There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

7. Mandhana -WD Limited ("Mandhana WD")

Mandhana -WD Limited was incorporated on December 14, 2012 having Registration No. 238828 and CIN as U18109MH2012PLC238828. Mandhana WD has its registered office at 205-214, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Mandhana WD is authorised to carry on and run business of retailing all textile fabrics made of natural & man-made fibers, all kinds of work wear and fashion wear including foot wear and all accessories relating to work and fashion wear, bags and allied products of all kinds & descriptions.



Board of Directors:

As on the date of this Information Memorandum, Mandhana WD has three directors as detailed herein below:

Name	Designation
Mr. Purushottam C. Mandhana	Director
Mr. Biharilal C. Mandhana	Director
Mr. Manish B. Mandhana	Director

Shareholding Pattern:

The equity shares of Mandhana WD are not listed on any stock exchange. The shareholding pattern of Mandhana WD as on the date of this Information Memorandum is as follows:

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	12,475	24.95
Mr. Biharilal C. Mandhana	6,240	12.48
Mr. Manish B. Mandhana	6,240	12.48
Ms. Prema P. Mandhana	12,475	24.95
Ms. Sudha B. Mandhana	6,235	12.47
Ms. Sangeeta M. Mandhana	6,235	12.47
Mr. Shrikant G. Shejwalkar	100	0.20
Total	50,000	100.00

Financial Performance:

The Summary audited financial statements of Mandhana WD for the last three fiscals are as follows:

Particulars	(Rs. In lacs)		
	FY 2016	FY 2015	FY 2014
Sales and other Income	-	-	-
Profit / Loss after tax	(0.09)	(0.19)	(0.47)
Equity Capital	5.00	5.00	5.00
Reserves and Surplus	(0.75)	(0.66)	(0.47)
Earnings per share in Rupees (of Rs.10 each)	(0.19)	(0.38)	(0.94)
Book value per share in Rupees (of Rs.10 each)	8.50	8.68	9.06

There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

8. Breakbounc India Limited ("Breakbounc")

Breakbounc India Limited was incorporated on May 11, 2013 having Registration No. 243202 and CIN as U18204MH2013PLC243202. Breakbounc has its registered office at 014, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400012, Maharashtra. Breakbounc is authorised to carry on and run the business retailing textile fabrics made of natural & man-made fibers, all kinds of fashion wear and work wear including foot wear and all accessories relating to work and fashion wear, bags and allied products of all kinds & descriptions.



Board of Directors:

As on the date of this Information Memorandum, Breakbounce has three directors as detailed herein below:

Name	Position
Mr. Sanjeev S. Mukhija	Director
Mr. Priyavrat P. Mandhana	Director
Mr. Vinit B. Mehta	Director

Shareholding Pattern:

The equity shares of Breakbounce are not listed on any stock exchange. The shareholding pattern of Breakbounce as on the date of this Information Memorandum is as follows:

Name of Shareholders	Number of shares	Percentage of share capital
Mr. Purushottam C. Mandhana	6,250	12.50
Mr. Manish B. Mandhana	6,250	12.50
Ms. Prema P. Mandhana	6,250	12.50
Ms. Sangeeta M. Mandhana	6,250	12.50
Mr. Sanjeev S. Mukhija	6,250	12.50
Ms. Ritu Mukhija	6,250	12.50
Ms. Minal R. Mukhija	6,250	12.50
Ms. Radhika Mukhija	6,250	12.50
Total	50,000	100.00

Financial Performance:

The Summary audited financial statements of Breakbounce for the last three fiscals are as follows:

Particulars	(Rs. In lacs)		
	FY 2016	FY 2015	FY 2014
Sales and other Income	(10.02)	201.36	615.06
Profit / Loss after tax	(0.21)	(1.31)	(3.41)
Equity Capital	5.00	5.00	5.00
Reserves and Surplus	(4.94)	(4.73)	(3.41)
Earnings per share in Rupees (of Rs.10 each)	(0.42)	(2.63)	(6.83)
Book value per share in Rupees (of Rs.10 each)	0.13	0.55	3.17

As on March 31, 2016, Breakbounce's net worth has been substantially reduced. There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences.

9. M/s Balaji Corporation ("Balaji Corporation")

M/s Balaji Corporation is a partnership firm formed under a partnership deed dated May 05, 2003 and situated at 167 Vakhar Bhag, Sangli, 416 416. Balaji Corporation is authorized to do business of trading and commission income arising there from textile.



Partners of Balaji Corporation:

As on the date of this Information Memorandum, Balaji Corporation has nine partners and their profit sharing ratio as on date is as follows:

Particulars	% Stake
Mr. Biharilal C. Mandhana	8.33
Mr. Purushottam C. Mandhana	16.67
Mr. Manish B. Mandhana	8.33
Mr. Biharilal C. Mandhana (HUF)	8.33
Mr. Purushottam C. Mandhana (HUF)	16.67
Mr. Manish B. Mandhana (HUF)	8.33
Ms. Sudha B. Mandhana	8.33
Ms. Prema P. Mandhana	16.67
Ms. Sangeeta M. Mandhana	8.33
Total	100.00

Financial Performance:

The Summary audited financial statements of Balaji Corporation for the last three fiscals are as follows:

(Rs. In lacs)

Particulars	FY 2016*	FY 2015*	FY 2014*
Operating Income	-	-	-
Other Income	36.37	31.18	42.04
Total Income	36.37	31.18	42.04
Profit/ loss After Tax	0.33	7.06	7.59
Partner's Capital	(5,157.65)	(2,028.26)	10,426.27

*The Financial Statements are not required to be audited under section 44AB of Income Tax Act.

There are no defaults in meeting any statutory / bank / institutional dues. No proceedings have been initiated for economic offences

Details of Companies / Firms from which our Promoters have disassociated:

During the last three years, our Promoters have not disassociated themselves from any companies/partnership firms.

Details of Group Companies whose names have been struck off from RoCs

None of our Group Entities have been struck off from the records of Registrar of Companies as "defunct companies".

Common Pursuits/Conflict of Interest

Other than as stated in the section titled "Our Promoters" there are no Conflict of Interests between our Company and our Group Entities. For details on the Common Pursuits/Conflict of Interests please refer to the section titled 'Our Promoters' beginning on page no. 155 of this Information Memorandum.

Related Party Transactions

Other than as stated in the section titled "Related Party Transactions" none of the Group Entities of our Company have any business interests in our Company. For details on our related party transactions please refer to the section titled 'Financial Information' beginning on page no. 107 of this Information Memorandum.

Details of Public Issue / Rights Issue of Capital in the last three years

Our aforesaid Group Entities have not come out with any public issues / rights issues in the last three years.



Changes in Accounting Policies in the last three years

There have been no changes in the accounting policies of our Company in the last three years.

Other confirmations

Our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or any other authorities. Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities. Equity shares of our Group Companies have not been listed on any stock exchanges and none of our Group Companies have made any public issues / rights issues in the last three years.

None of our Group Companies are sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and are not under the Board for Industrial and Financial Reconstruction. Further, none of our Group Companies are under winding up.

None of our Group Companies are defunct and no application was made to the Registrar of Companies for striking off the name during the five years preceding the date of filing of this Information Memorandum.

Litigation

For details of relating to the legal proceeding involving our Group Companies, refer section titled "Outstanding Litigations and Material Developments" on page 141 of this Information Memorandum.



DIVIDEND POLICY

Nothing in the Scheme shall prevent our Company from declaring and paying dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date.

The holders of the shares of our Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividend.

It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of our Company to demand or claim any dividend which, subject to the provisions of the Act.

Our Company does not have any formal dividend policy for its equity shares. The declaration and payment of equity dividend in our Company shall be recommended by our Board of Directors and approved by the shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. Our Company has not paid any dividend on its equity shares so far.



SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENT OF OUR COMPANY

AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF
THE MANDHANA RETAIL VENTURES LIMITED
Plot No. E-132, MIDC,
Tarapur Industrial Area,
Boisar, Palghar - 401506

Dear Sirs,

1. We have examined the attached restated standalone financial information of The Mandhana Retail Ventures Limited (the "Company") as at and for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016 which comprise of the restated standalone assets and liabilities as at March 31, 2012, 2013, 2014, 2015, 2016 and June 30, 2016, the restated standalone statements of profit and loss and the restated standalone cash flow statements for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016 ("the Restated Standalone Financial Statements") as approved by the Board of Directors of the Company at their meeting held on September 27, 2016 for the purpose of inclusion in the Information Memorandum ("IM") prepared by the Company and prepared in terms of the requirements of:
 - a. Section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and
 - b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations").
2. We have examined such Restated Standalone Financial Statements taking into consideration
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IM of the Company and
 - b. The Guidance Note (Revised) on Reports in Company Information Memorandum issued by the Institute of Chartered Accountants of India (ICAI).
3. These Restated Standalone Financial Statements have been compiled by the Management based on the audited standalone financial statements for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016 which have been approved by the Board of directors at their meetings held on June 04, 2012, August 16, 2013, August 30, 2014, July 24, 2015, August 16, 2016 and September 27, 2016 respectively.
4. We have restated Standalone Financial Statements taking into consideration below Emphasis of Matter:

The Company has not made provision for Gratuity on actuarial basis in compliance with the requirement of Accounting Standard 15, to that extent Net Profit/Loss for the period under review is overstated.
5. Based on our examination, we further report that:
 - a. The Summary Statement of Restated Assets and Liabilities of the Company as at March 31, 2012, 2013, 2014, 2015, 2016 and June 30, 2016 as set out in Annexure-1 to this report, are



after making adjustments and regrouping as in our opinion were appropriate, except as mentioned in point no. 4 above.

- b. The Summary Statement of Restated Profit and Loss of the Company for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016, as set out in Annexure - 2 to this report, are after making adjustments and regrouping as in our opinion were appropriate, except as mentioned in point no. 4 above.
- c. The Summary Statement of Restated Cash Flows of the Company for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016, as set out in Annexure- 3 to this report, are after making adjustments and regrouping as in our opinion were appropriate, except as mentioned in point no. 4 above.
- d. Based on the above, according to the information and explanations given to us, we are of opinion that the Restated Standalone Financial Statements have been made after incorporating:
 - i. Material prior period items of these Restated Standalone Financial Statements, have been adjusted to the respective period/years to which such prior period items related;
 - ii. Adjustments for the material amounts in the respective financial years to which they relate of these Restated Standalone Financial Statements;
 - iii. Adjustments for material regrouping of balances to confirm the classifications/grouping and presentation followed for year ended March 31, 2016; and
 - iv. Adjustments for qualifications in the Auditor's report of these Restated Standalone Financial Statements.

Further there are no extra-ordinary items that need to be disclosed separately in the Restated Standalone Financial Statements requiring adjustments, except as mentioned in point no. 4 above.

- 6. We have also examined the following restated financial information of the Company set out in the annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on September 27, 2016 for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016.
 - a. Annexure 4 – Summary of Significant Accounting Policies & Notes to Accounts
 - b. Annexure 5 – Summary Statement of Share Capital, as restated
 - c. Annexure 6 – Summary Statement of Reserves and Surplus, as restated
 - d. Annexure 7 – Summary Statement of Long Term Borrowings, as restated
 - e. Annexure 8 – Summary Statement of Deferred Tax Liabilities, as restated
 - f. Annexure 9 – Summary Statement of Other Non-Current Liabilities, as restated
 - g. Annexure 10 – Summary Statement of Short Term Borrowings, as restated
 - h. Annexure 11 – Summary Statement of Trade Payables, as restated
 - i. Annexure 12 – Summary Statement of Other Current Liabilities, as restated
 - j. Annexure 13 – Summary Statement of Short Term Provisions, as restated
 - k. Annexure 14 – Summary Statement of Fixed Assets, as restated
 - l. Annexure 15 – Summary Statement of Other Non-Current Assets, as restated
 - m. Annexure 16 – Summary Statement of Inventories, as restated
 - n. Annexure 17 – Summary Statement of Trade Receivables, as restated
 - o. Annexure 18 – Summary Statement of Cash and Cash Equivalent, as restated
 - p. Annexure 19 – Summary Statement of Short Term Loans and Advances, as restated
 - q. Annexure 20 – Summary Statement of Other Current Assets, as restated



- r. Annexure 21 – Summary Statement of Revenue From Operations, as restated
- s. Annexure 22 – Summary Statement of Other Income, as restated
- t. Annexure 23 – Summary Statement of Cost of Sales, as restated
- u. Annexure 24 – Summary Statement of Employee Benefit Expenses, as restated
- v. Annexure 25 – Summary Statement of Finance Costs, as restated
- w. Annexure 26 – Summary Statement of Administrative Expenses, as restated
- x. Annexure 27 – Summary Statement of Dividend Paid / Proposed by the Company
- y. Annexure 28 – Summary Statement of Accounting Ratios

In our opinion, the above financial information contained in Annexures 1 to 28 accompanying this report read along with the Significant Accounting Policies are prepared after making adjustments and regroupings as considered appropriate to confirm the classifications/grouping and presentation followed for the year ended March 31, 2012, 2013, 2014, 2015, 2016 and quarter ended June 30, 2016 and have been prepared in accordance with Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable; SEBI-ICDR Regulations and the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement as agreed with you.

- 7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 8. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
- 9. Our report is intended solely for use of the management for inclusion in the Information Memorandum in connection with the proposed issue of 22,082,609 equity shares pursuant to the demerger scheme approved by the Hon'ble High Court, Mumbai and listing on the Stock Exchange(s). Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Vishal H. Shah & Associates
Chartered Accountants
Firm Registration No - 116422W

Vishal H. Shah
Proprietor
Mem. No. 101231

Place: Mumbai
Date: September 27, 2016



These are forming part of CARO and have not been considered in restated financial statements

For the three month ended June 30, 2016

Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on June 30, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	F Y 2014-15	10.59
Income Tax Act, 1961	Corporate Tax	F Y 2015-16	11.39
Income Tax Act, 1961	Corporate Tax	April to June 2016	4.95

Delay in repayment of dues to Banks

In our opinion and according to the information and explanations given to us, the company has delayed in repayment of dues to bank during the quarter ended June 30, 2016. As at the quarter ended, the company has delayed in repayment of Rs. 2.50 crores towards term loan taken from Axis Bank.

For the year ended March 31, 2016

Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	F Y 2014-15	10.59
Income Tax Act, 1961	Corporate Tax	F Y 2015-16	11.39

Delay in repayment of dues to Banks

In our opinion and according to the information and explanations given to us, the company has delayed in repayment of dues to bank during the year ended March 31, 2016. As at the year ended, the company has delayed in repayment of Rs. 2.50 crores towards term loan taken from Axis Bank.

For the year ended March 31, 2015

Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. In Crs)
Income Tax Act, 1961	Corporate Tax	F Y 2014-15	10.59

Delay in repayment of dues to Banks

In our opinion and according to the information and explanations given to us, there are no delays in repayment of dues by the company during the year ended March 31, 2015.



ANNEXURE 1

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
I. EQUITIES AND LIABILITIES						
Shareholders Fund						
Share Capital	5.00	5.00	5.00	5.00	5.00	5.00
Reserves and Surplus	7,278.92	6,358.03	4,216.45	(8.82)	(8.67)	(8.52)
NETWORTH (A)	7,283.92	6,363.03	4,221.45	(3.82)	(3.67)	(3.52)
Non-Current Liabilities						
Long Term Borrowings	-	212.56	1,212.56	-	-	-
Deferred Tax Liability	29.47	36.88	39.88	-	-	-
Non-Current Liabilities	932.78	895.98	495.40	-	-	-
TOTAL (B)	962.25	1,145.42	1,747.83	-	-	-
Current Liabilities						
Short Term Borrowings	36.12	529.68	1,676.75	4.24	3.74	3.74
Trade Payables	2,492.55	2,961.67	1,228.31	0.17	0.11	0.05
Other Current Liabilities	1,887.43	1,722.54	1,150.82	-	-	-
Short Term Provisions	2,692.21	2,197.38	1,059.77	-	-	-
TOTAL (C)	7,108.31	7,411.27	5,115.65	4.41	3.85	3.79
Total Liabilities D =(A+B+C)	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27
II. ASSETS						
Non-Current Assets						
Fixed Assets						
Tangible Assets	2,417.42	2,421.06	2,146.39	-	-	-
Intangible Assets	45.84	46.80	34.18	-	-	-
Total (E)	2,463.26	2,467.86	2,180.57	-	-	-
Other Non-Current Assets (F)	1,619.00	1,555.87	1,404.54	-	-	-
Current Assets						
Inventories	2,933.24	3,999.57	2,365.94	-	-	-
Trade Receivables	7,900.07	6,748.48	4,706.99	-	-	-
Cash and Cash Equivalents	278.88	18.44	50.42	0.59	0.18	0.27
Short Term Advances	118.36	77.64	153.11	-	-	-
Other Current Assets	41.66	51.85	223.35	-	-	-
Total (G)	11,272.22	10,895.99	7,499.81	0.59	0.18	0.27
Total Assets H =(E+F+G)	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27



ANNEXURE 2

SUMMARY STATEMENT OF PROFIT AND LOSS AS RESTATED

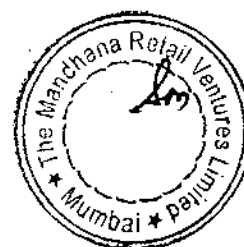
(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Income						
Income from Operations						
Trading	5,371.95	21,812.68	17,188.55	-	-	-
Other Income	19.18	122.90	92.14	-	-	-
Total (A)	5,391.12	21,935.59	17,280.69	-	-	-
Expenditure						
Cost of Sales	2,092.85	11,508.87	7,969.90	-	-	-
Employee Benefit Expenses	450.82	1,867.50	1,340.28	-	-	-
Administrative Expenses	1,300.31	4,541.32	3,544.04	0.15	0.15	8.52
Total (B)	3,843.98	17,917.69	12,854.21	0.15	0.15	8.52
EBIDTA (A-B)	1,547.14	4,017.89	4,426.48	(0.15)	(0.15)	(8.52)
Interest and Financial Charges	49.38	442.79	1,074.62	-	-	-
Profit before depreciation, Tax & Extraordinary Items	1,497.77	3,575.10	3,351.86	(0.15)	(0.15)	(8.52)
Depreciation & Amortization	89.46	298.90	235.21	-	-	-
Profit before Tax & Extraordinary Items	1,408.31	3,276.20	3,116.65	(0.15)	(0.15)	(8.52)
Provision for Taxation						
Current Tax	494.82	1,137.63	1,059.76	-	-	-
Deferred Tax	(7.41)	(3.00)	39.88	-	-	-
Profit after Tax before extraordinary	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Extraordinary Items	-	-	-	-	-	-
Profit after Tax after extraordinary	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Adjustments	-	-	-	-	-	-
Net Profit As Restated	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Appropriations						
Add: Balance brought from previous year	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)	-
Transfer to General Reserve	-	-	-	-	-	-
Provision for Dividend	-	-	-	-	-	-
Balance carried Forward	5,070.67	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)

ANNEXURE 3
SUMMARY STATEMENT OF CASH FLOW AS RESTATED

(Rs. in Lacs)

PARTICULARS	Upto	For the year ending on				
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Cash Flow from Operating Activities						
Profit Before Tax As Per Audited Accounts	1,408.31	3,276.20	3,116.65	(0.15)	(0.15)	(8.52)
Adjustments for:						
Depreciation & Amortization	89.46	298.90	235.21	-	-	-
Finance cost	49.38	442.79	1,074.62	-	-	-
Operating Profit before Working Capital Changes	1,547.14	4,017.89	4,426.48	(0.15)	(0.15)	(8.52)
Adjustments for:						
(Increase) / Decrease in Inventories	1,066.33	(1,633.63)	(2,365.94)	-	-	-
(Increase)/ Decrease in Sundry Debtors	(1,151.59)	(2,041.49)	(4,706.99)	-	-	-
(Increase)/ Decrease in Loans & Advances	(30.53)	246.97	(376.46)	-	-	-
Increase/(Decrease) in Sundry Creditors	(469.12)	1,733.36	1,228.14	0.05	0.05	0.05
Increase/(Decrease) in Other Liabilities	(328.67)	(575.35)	2,827.57	-	-	-
Cash Generated from Operations	633.56	1,747.75	1,032.80	(0.10)	(0.10)	(8.47)
Tax Paid	-	-	-	-	-	-
Net Cash Flow from Operating Activities (A)	633.56	1,747.75	1,032.80	(0.10)	(0.10)	(8.47)
Cash Flow from investing Activities						
Purchase of fixed Assets	(84.86)	(586.19)	(2,415.79)	-	-	-
Deposit to Vendors	(63.13)	(151.33)	(1,404.54)	-	-	-
Net Cash Flow from Investing Activities (B)	(147.98)	(737.52)	(3,820.33)	-	-	-
Cash Flow from Financing Activities						
Proceeds from Issue of Share Capital	-	-	-	-	-	5.00
Proceeds from Long Term Borrowings	(212.56)	(1,000.00)	1,212.56	-	-	-
Increase in Capital Reserves	-	-	2,208.26	-	-	-
Increase in Non-Current Liabilities	36.80	400.59	491.15	0.50	-	3.74
Interest Paid	(49.38)	(442.79)	(1,074.62)	-	-	-
Net Cash Flow from Financing Activities (C)	(225.14)	(1,042.20)	2,837.35	0.50	-	8.74



Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	260.44	(31.97)	49.83	0.42	(0.10)	0.27
Cash & Cash Equivalents at the beginning of the Year (D)	18.44	50.42	0.59	0.17	0.27	-
Cash & Cash Equivalents at the End of the Year (E)	278.88	18.44	50.42	0.59	0.17	0.27
Net (Decrease) / Increase in cash and cash equivalents (E-D)	260.44	(31.97)	49.83	0.42	(0.10)	0.27

ANNEXURE 4
NOTES TO ACCOUNTS

1. Value of Imports calculated on C.I.F. basis in respect of: (Rs. In Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Garments Import	54.62	1,789.25	637.56	-	-	-

1. Expenditure in Foreign Currency on account of: (Rs. In Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Foreign Travelling	22.63	43.89	30.52	-	-	-

2. Earnings in Foreign Currency on account of: (Rs. In Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Export of Goods calculated on FOB Value	276.60	4,174.86	5,058.89	-	-	-

3. A. No interest is paid / payable during the period to any enterprise registered under the MSME.
B. The quantum of dues to small scale industrial undertakings is not determined.
4. Balances of Debtors, Creditors and Loans & Advances have been as per books, and are subject to confirmation.
5. Disclosures in respect of derivative instruments.
There are no derivatives instruments outstanding in the company.

Related Party Disclosures

1. Relationship:

Key Management Personnel and their Relatives	Relationship
Shri Priyavrat Mandhana	Director
Smt. Sangeeta M. Mandhana	Director
Shri Sachin Jaju	Director
Shri Purushottam C. Mandhana	Father of Mr. Priyavrat Mandhana
Shri Biharilal C. Mandhana	Father in Law of Mrs. Sangeeta M. Mandhana



Key Management Personnel and their Relatives	Relationship
Shri Manish B. Mandhana	Husband of Mrs. Sangeeta M. Mandhana
Smt. Sudha B. Mandhana	Mother in Law of Mrs. Sangeeta M. Mandhana
Ms. Preeti P. Mandhana	Sister of Mr. Priyavrat Mandhana
Smt. Prema P. Mandhana	Mother of Mr. Priyavrat Mandhana
Mrs. Preeti P. Mandhana	Wife of Mr. Priyavrat Mandhana
b) Entities over which key Management Personnel and their relatives are able To exercise significant influence	Mandhana Industries Limited Golden Seams Industries Pvt Ltd Mandhana -WD Limited Mahan Synthetics Textiles Private Limited Balaji Corporation

2. Transactions with related parties:

(Rs. in Lacs)

PARTICULARS	Upto	For the year ending on				
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Purchases :						
Garment Purchase	149.85	3,543.64	4,000.34	-	-	-
Expenses :						
Rent To Directors & Relatives of Directors	9.02	24.39	17.89	-	-	-
Deposits against premises:						
Deposit to Directors & Relatives of Directors	888.55	888.55	875.00	-	-	-

6. OPERATING LEASE:

The Company has entered in to non-cancelable operating lease. The tenure of such agreements ranges from thirty six month to one hundred eight months. There are no purchase option in these agreements. Lease agreements provide the option to Company to renew the lease period at the end of lease period.

(Rs. in Lacs)

PARTICULARS	TOTAL LEASE PAYMENT OUTSTANDING					
	Upto	For the year ending on				
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Not later than one year	1,117.05	1,313.33	698.03	-	-	-
Later than one year and not later than five year	2,940.01	3,497.52	1,313.52	-	-	-
later than five year	697.95	902.18	59.50	-	-	-
Total	4,755.01	5,713.03	2,071.05	-	-	-
Operating lease rentals debited to profit and loss accounts (net)	292.04	1,018.27	886.28	-	-	-
Operating lease capitalized to Fixed Assets	NIL	NIL	NIL	-	-	-



7. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD -15 "EMPLOYEE BENEFITS"

Consequent to the adoption of Accounting Standard on Employee Benefits (AS-15) (Revised 2005) issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the Standard.

A) Defined Contribution Plans

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Provident Fund	22.85	73.53	48.48	-	-	-

The Company's provident Fund is administered by the Maharashtra State Government.

B) Defined Benefit Plans

During the period under review the company has not completed minimum years of service as required under Payment of Gratuity Act, therefore provision for gratuity has not been provided in the books of the company.

10. Segment Reporting

(A) On the basis of Geographical segments



Particulars	Domestic						Exports						TOTAL					
	30.06.16	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	30.06.16	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	30.06.16	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12
External Revenues	5,078.14	17,401.50	11,813.91	-	-	-	293.81	4,411.18	5,374.54	-	-	-	5,371.95	21,812.68	17,188.55	-	-	-
Other Allocable Income	-	0.39	0.13	-	-	-	19.18	122.52	92.01	-	-	-	19.18	122.90	92.14	-	-	-
Total Revenues	5,078.14	17,401.89	11,814.04	-	-	-	312.99	4,533.70	5,466.55	-	-	-	5,391.12	21,935.59	17,280.69	-	-	-
SEGMENT RESULT	1,377.96	2,966.90	2,880.71	(0.15)	(0.15)	(8.52)	78.73	752.09	1,310.56	-	-	-	1,457.68	3,718.99	4,191.27	(0.15)	(0.15)	(8.52)
Other Non-allocable Income / (Exp)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	442.79	1,074.62	-	-	-
Provision for Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	1,134.62	1,099.54	-	-	-
NET PROFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
OTHER INFORMATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment Assets	15,018.91	13,629.69	9,557.14	0.59	0.18	0.27	335.57	1,290.12	1,527.78	-	-	-	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27
Unallocable Corporate Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	15,018.91	13,629.69	9,557.14	0.59	0.18	0.27	335.57	1,290.12	1,527.78	-	-	-	15,354.48	14,919.72	11,084.93	0.59	0.18	0.27
Segment Liabilities	7,658.35	6,828.27	4,876.73	4.41	3.85	3.79	412.21	1,730.42	1,986.74	-	-	-	8,070.56	8,556.69	6,863.47	4.41	3.85	3.79
Unallocable Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	7,658.35	6,828.27	4,876.73	4.41	3.85	3.79	412.21	1,730.42	1,986.74	-	-	-	8,070.56	8,556.69	6,863.47	4.41	3.85	3.79
CAPITAL EXPENDITURE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment Capital Expenditure	84.63	574.06	524.52	-	-	-	0.22	12.13	28.90	-	-	-	84.86	586.19	553.42	-	-	-
Unallocated Capital Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXP.	84.63	574.06	524.52	-	-	-	0.22	12.13	28.90	-	-	-	84.86	586.19	553.42	-	-	-
DEPRECIATION & AMORTISATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment Dep. & Amort.	88.12	284.56	218.77	-	-	-	1.34	14.34	16.43	-	-	-	89.46	288.90	235.20	-	-	-
Unallocated Dep. & Amort.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEPRECIATION & AMORTISATION	88.12	284.56	218.77	-	-	-	1.34	14.34	16.43	-	-	-	89.46	288.90	235.20	-	-	-



(B) Other Disclosures

- a. Segments have been identified in line with the Accounting Standard on Segment Reporting (AS - 17) taking into account the organization structure as well as the differential risks and returns of these segments.
- b. The Company has disclosed Geographical Segment as the primary segment.
- c. The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on sales proportionate basis.

8. CAPITAL COMMITMENTS:

The estimated amount of contracts remaining to be executed on capital account to the extent not provided for Rs. NIL.

9. Board of Directors of the Mandhana Industries Ltd in a board meeting dated 22nd November 2014 decided to demerge its retail segment business into a separate entity to unlock the valuation of the Company's Retail Operation segment. The Hon'ble High Court of Judicature at Bombay had vide its order dated 29th March, 2016 approved the scheme of arrangement (the "Scheme") between Mandhana Industries Limited (MIL/Demerged Company) and Mandhana Retail Ventures Limited (MRVL/Resulting Company). The scheme has been made effective from 1st April, 2016 with effect from the Appointed date of 1st April, 2014, consequent to the said demerger all properties, assets, liabilities etc. of retail division has been taken into the books as on 1st April, 2016.

SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

A. BASIS OF ACCOUNTING

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, including the accounting standards notified under the relevant provisions of the Companies Act, 2013.

B. RECOGNITION OF INCOME AND EXPENDITURE:

- (i) Revenues/Income and costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.

C. USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

D. FIXED ASSETS

- a. The Gross Block of Fixed asset is recorded at cost, which includes duties and other identifiable direct expenses up to the date of commissioning of the assets and wherever applicable is net of credits available under CENVAT and VAT schemes.
- b. Incidental expenditure including interest on loans during construction period is capitalized up to the date of actual put to use.



c. Profit/ Loss on the sale of fixed assets is accounted for in the Profit and Loss Account and credited/debited respectively to profit and loss account.

d. Intangible Assets are stated at cost of acquisition less accumulated amortization.

E. DEPRECIATION

Tangible Assets

a. Depreciation on fixed Assets is charged as follows :

- i) Depreciation on Fixed assets is provided base on useful life of assets as prescribed by schedule II to the companies Act 2013 or reassessed based on management evaluation. In case of following assets useful life is different than those prescribed in schedule II to The Companies Act, 2013.

The useful life of the assets are as follows

Tangible Assets

Assets Classification	Useful life assessed by management
Office & Factory Equipment's	6-8.5 years
Furniture & fixtures	11 -13.5 Years
Capital Expenditure on rented Premises	10-12 Years
Computer & Accessories	3.5-4.5 Years

Intangible Assets

These are amortized as under

Assets Classification	Amortization
Computer Software	Over the period of 5 Year

b. On additions to the fixed assets made during the year, depreciation is provided on pro-rata basis, with reference to the date of addition.

c. On deletion or sale of assets, no depreciation is provided.

F. INVESTMENT

Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary in the value of Long-term Investments. However, fixed income long term securities are stated at cost, less amortization of premium/discount and provision for diminution to recognize a decline, other than temporary.

G. INVENTORIES

Finished goods are valued at cost or net realizable whichever is lower.

H. FOREIGN CURRENCY TRANSACTION

a. All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.



- b. Monetary items denominated in foreign currency are restated at the exchange rate prevailing at the year-end and the overall net gain / loss is adjusted to the profit & loss account.
 - c. In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expenses along with the exchange differences on the underlying assets/liabilities on the reporting date. Profit or loss on cancellations/renewals of forward contracts is recognized during the year.
- G. EMPLOYEE BENEFITS:
- a. Defined Contribution Plan:
Contribution to provident fund is accounted on accrual basis with corresponding contribution to recognized fund.
 - b. Company does not have any policy for Leave Encashment or any other pension plans/schemes. All the unused leaves outstanding as on 31st December gets lapsed and does not get accumulated.
- H. BORROWING COST:
- Interest and other cost in connection with the borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalized up to the date when such assets are ready for its intended use and all other borrowings cost are charged to revenue.
- I. OPERATIONAL LEASE:
- Operational lease payments are recognized as an expense in Profit & Loss accounts on accrual basis. Lease payments relating to project under development are capitalized to respective projects.
- J. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:
- Contingent Liabilities are not recognized, but disclosed in the case of
- a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - b) A possible obligation, when the probability of outflow of resources is reasonably certain.
- Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.
- I. INCOME TAX
- a. Current Tax: Provision is made for Income tax under the tax payable method based on the liability as computed after taking credit for allowances and exemptions. Current Tax provided for the year is also net of MAT Credit available under the I.T Act.
 - b. Deferred Tax: Consequent to the Accounting Standard 22- Accounting for Taxes on Income becoming mandatory effective from 1st April, 2002, the differences that result between the profit offered for income tax and the profit as per financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period, based on prevailing enacted regulations.



K. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine,

- The provision for impairment loss, if any required or,
- The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined,

- In the case of an individual asset, at the higher of the net selling price and the value in use.
- In the case of a cash-generating unit, (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life)

ANNEXURE 5 SHARE CAPITAL

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Authorised Capital						
1,00,00,000 Equity Shares of Rs.10/- each				1,000.00	1,000.00	1,000.00
3,00,00,000 Equity Shares of Rs.10/- each	3,000.00	3,000.00	3,000.00			
Issued, Subscribed & Paid Up						
50,000 Equity shares of Rs. 10 each fully paid up	5.00	5.00	5.00	5.00	5.00	5.00
TOTAL	5.00	5.00	5.00	5.00	5.00	5.00



ANNEXURE 6
RESERVES AND SURPLUS

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
A. Capital Reserve						
Opening Balance	2,208.26	2,208.26	-	-	-	-
Add: Addition during the year	-	-	2,208.26	-	-	-
Closing Balance	2,208.26	2,208.26	2,208.26	-	-	-
B. Surplus i.e Balance in Profit & Loss Account						
Opening Balance	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)	-
Add: Surplus during the year	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Closing Balance	5,070.67	4,149.78	2,008.19	(8.82)	(8.67)	(8.52)
TOTAL	7,278.93	6,358.04	4,216.45	(8.82)	(8.67)	(8.52)

ANNEXURE 7
LONG TERM BORROWINGS

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Secured						
a) Term Loan (Refer Point 1)	-	212.56	1,212.56	-	-	-
TOTAL	-	212.56	1,212.56	-	-	-

Point 1

Nature Of Loan	Name of Institution	Sanctioned Limit	O/s. as at 30th June, 2016	Rate of Interest P.A.	Repayment Terms	Securities Offered
Term Loan	Axis bank Limited	Rs. 5,000.00 Lacs	Rs. 1,212.56 Lacs	13.15%	In 20 quarterly instalments commencing from 30/06/2014	Secured by Hypothecation of fixed assets procured for "Being Human" project.



ANNEXURE 8
DEFERRED TAX LIABILITIES

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Deferred Tax Liabilities: Difference between book and tax Depreciation	29.47	36.88	39.88	-	-	-
Deferred Tax Asset	-	-	-	-	-	-
TOTAL	29.47	36.88	39.88	-	-	-

ANNEXURE 9
OTHER NON CURRENT LIABILITIES

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
<u>Deposits received</u>						
Deposit from Franchisee	438.50	398.50	155.40	-	-	-
Deposit from Distributor	246.80	250.00	160.00	-	-	-
Deposit from SIS	247.48	247.48	180.00	-	-	-
TOTAL	932.78	895.98	495.40	-	-	-

ANNEXURE 10
SHORT TERM BORROWINGS

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Secured	-	-	-	-	-	-
Unsecured						
<u>Loans taken from</u>						
Mandhana Industries Limited	36.12	507.18	1,654.25	4.24	3.74	3.74
Directors	-	22.50	22.50	-	-	-
TOTAL	36.12	529.68	1,676.75	4.24	3.74	3.74

ANNEXURE 11
TRADE PAYABLES

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Other Creditors	2,492.55	2,961.67	1,228.31	0.17	0.11	0.05
TOTAL	2,492.55	2,961.67	1,228.31	0.17	0.11	0.05



ANNEXURE 12**OTHER CURRENT LIABILITIES**

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Current Maturity of Long Term Debt	1,212.56	1,250.00	1,000.00	-	-	-
Outstanding Expenses	167.48	6.07	32.86	-	-	-
Interest Payable	46.35	15.63	-	-	-	-
Advance received from Customers	145.49	138.48	14.31	-	-	-
Statutory Dues Payable	174.47	149.63	60.77	-	-	-
Salaries & Bonus Payable	141.08	162.73	42.87	-	-	-
TOTAL	1,887.43	1,722.54	1,150.82	-	-	-

ANNEXURE 13**SHORT TERM PROVISIONS**

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Provision for Income Tax	2,692.21	2,197.38	1,059.76	-	-	-
TOTAL	2,692.21	2,197.38	1,059.76	-	-	-

ANNEXURE 14**FIXED ASSETS (Also refer Note 1)**

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
TANGIBLE ASSETS						
Gross Block	3,082.80	2,999.27	2,434.93	-	-	-
Less: Accumulated Depreciation	665.39	578.21	288.53	-	-	-
Net Block	2,417.42	2,421.06	2,146.39	-	-	-
INTANGIBLE ASSETS						
Gross Block	59.70	57.75	35.91	-	-	-
Less: Accumulated Depreciation	13.86	10.95	1.73	-	-	-
Net Block	45.84	46.80	34.18	-	-	-
TOTAL	2,463.26	2,467.86	2,180.57	-	-	-



ANNEXURE 15

OTHER NON-CURRENT ASSETS

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
<u>Deposits Given</u>						
Deposit to Mall Management	639.80	599.45	504.94	-	-	-
Deposit to Statutory Authorities	7.53	2.88	1.92	-	-	-
Deposit for Rental Premises	971.67	953.55	897.67	-	-	-
TOTAL	1,619.00	1,555.87	1,404.54	-	-	-

ANNEXURE 16

INVENTORIES

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
<u>Finished goods</u>						
- Garments	2,875.64	3,912.04	2,219.83	-	-	-
- Accessories	57.60	87.53	146.11	-	-	-
TOTAL	2,933.24	3,999.57	2,365.94	-	-	-

ANNEXURE 17

TRADE RECEIVABLES

(Rs. In Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
Trade receivables outstanding as at Balance Sheet Date						
unsecured, considered good	7,900.07	6,748.48	4,706.99	-	-	-
TOTAL	7,900.07	6,748.48	4,706.99	-	-	-

ANNEXURE 18

CASH AND CASH EQUIVALENTS

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
<u>Cash And Cash Equivalents</u>						
Balance with Banks	252.38	9.21	39.68	0.52	0.12	-
Cash in Hand	26.50	9.24	10.74	0.07	0.06	0.27
TOTAL	278.88	18.44	50.42	0.59	0.18	0.27



ANNEXURE 19**SHORT TERM LOANS & ADVANCES**

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
a. Loans and advances to related parties unsecured, considered good	-	-	-	-	-	-
b. Others unsecured, considered good	118.36	77.64	153.11	-	-	-
TOTAL	118.36	77.64	153.11	-	-	-

ANNEXURE 20**OTHER CURRENT ASSETS**

(Rs. in Lacs)

PARTICULARS	AS AT 30.06.2016	AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2013	AS AT 31.03.2012
DBK Subsidy Receivable	22.65	34.03	208.49	-	-	-
Insurance Claim Receivable	15.34	15.34	8.87	-	-	-
Prepaid Expenses	3.68	2.48	5.98	-	-	-
TOTAL	41.66	51.85	223.35	-	-	-

ANNEXURE 21**REVENUE FROM OPERATIONS**

(Rs. in Lacs)

PARTICULARS	Upto	For the year ending on				
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Sale of Products						
1) Local Sales	5,078.14	17,401.50	11,813.91	-	-	-
2) Export Sales	276.60	4,174.86	5,058.89	-	-	-
Sale of Services						
Duty Drawbacks & Other Export Entitlements	17.21	236.32	315.75	-	-	-
TOTAL	5,371.95	21,812.68	17,188.55	-	-	-



ANNEXURE 22
OTHER INCOME

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Foreign Ex Fluctuation - Income	18.72	122.52	92.01	-	-	-
Other Income	0.46	0.38	0.13	-	-	-
TOTAL	19.18	122.90	92.14	-	-	-

ANNEXURE 23
COST OF SALES

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Opening Stock of Finished Goods	3,999.57	2,365.94	1,741.89	-	-	-
Add:- Purchases	1,026.52	13,142.51	8,593.94	-	-	-
Less:- Closing Stock of Finished Goods	(2,933.24)	(3,999.57)	(2,365.94)	-	-	-
TOTAL	2,092.85	11,508.87	7,969.90	-	-	-

ANNEXURE 24
EMPLOYEE BENEFITS EXPENSES

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Salaries and incentives	421.00	1,779.77	1,280.52	-	-	-
Employers PF Contribution	27.48	73.53	48.49	-	-	-
Staff welfare expenses	2.35	14.21	11.27	-	-	-
TOTAL	450.82	1,867.50	1,340.28	-	-	-

ANNEXURE 25
FINANCE COSTS

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Interest on Term Loan	47.14	277.52	373.45	-	-	-
Interest paid to Others	2.24	67.81	3.07	-	-	-
Interest on Contribution	-	97.46	698.11	-	-	-
TOTAL	49.38	442.79	1,074.62	-	-	-



ANNEXURE 26
ADMINISTRATIVE EXPENSES

(Rs. in Lacs)

PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Advertisement & Sales Promotion Expenses	224.37	950.17	383.22	-	-	-
Auditor Remuneration	1.15	4.60	-	0.06	0.06	0.06
Bank Charges	4.61	145.68	71.90	0.08	0.03	-
Travelling Expenses	42.81	198.50	145.84	-	-	-
Communication Expenses	7.06	36.12	24.86	-	-	0.02
Electricity Charges	26.02	101.19	97.15	-	-	-
Freight & Transportation Charges	27.03	130.79	205.44	-	-	-
General Expenses	1.15	20.79	20.11	-	-	-
Housekeeping Charges	3.76	11.50	16.95	-	-	-
Insurance Charges	1.98	10.05	5.07	-	-	-
Legal & License Fees	315.05	896.25	609.86	-	0.03	6.08
Postage & Courier Exp	1.23	67.10	18.35	-	-	-
Printing & Stationery	1.79	33.73	16.98	-	-	-
Professional Fees	174.13	180.63	309.44	0.01	0.03	0.35
Rates & Taxes	26.22	115.69	231.42	-	-	2.01
Rent, CAM & Utility Charges	423.78	1,559.94	1,289.21	-	-	-
Repairs & Maintenance	5.66	19.16	50.54	-	-	-
Shortage / Excess	1.79	12.18	8.98	-	-	-
Subscription & Membership Fees	0.14	3.74	4.70	-	-	-
Watch & Ward Expenses	10.58	43.53	34.04	-	-	-
TOTAL	1,300.31	4,541.32	3,544.04	0.15	0.15	8.52

ANNEXURE 27
DIVIDEND PAID / PROPOSED

(Rs. in Lacs)

						(RS. in Lacs)
PARTICULARS	Upto 30.06.2016	For the year ending on				
		31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
The Company has not proposed or paid Dividend to Equity Shareholders during these period						



ANNEXURE 28
ACCOUNTING RATIOS

(Rs. in Lacs, Except Per Share Data)

PARTICULARS	Upto	For the year ending on				
	30.06.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Basic and Diluted Earnings Per Share						
Basic Earnings Per Share (Basic EPS)						
Profit for the period attributable to the equity Shareholders	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Number of Weighted average equity shares	0.50	0.50	0.50	0.50	0.50	0.50
Par value per share	10	10	10	10	10	10
Earnings Per Share - Basic	1,841.78	4,283.17	4,034.02	(0.30)	(0.30)	(17.04)
Diluted Earnings Per Share (Diluted EPS)						
Profit for the period attributable to the equity Shareholders	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Number of Weighted average equity shares*	220.82	220.82	220.82	0.50	0.50	0.50
Par Value per share	10.00	10.00	10.00	10.00	10.00	10.00
Earnings Per Share - Diluted	4.17	9.70	9.13	(0.30)	(0.30)	(17.04)
Net Asset Value Per Equity Share						
Net worth, as restated	7,283.92	6,363.03	4,221.45	(3.82)	(3.67)	(3.52)
Number of equity shares outstanding	0.50	0.50	0.50	0.50	0.50	0.50
Net Asset Value (NAV) per Equity Share	14,567.85	12,726.06	8,442.89	(7.64)	(7.34)	(7.04)
Net Profit after tax, as restated	920.89	2,141.58	2,017.01	(0.15)	(0.15)	(8.52)
Net worth, as restated	7,283.92	6,363.03	4,221.45	(3.82)	(3.67)	(3.52)
Return on Net worth (%) for equity shareholders	12.64	33.66	47.78	(3.93)	(4.09)	(242.05)

*Pursuant to the scheme of demerger as approved by Hon'ble High Court, Appointed date of demerger was April 1, 2014 and effective date is April 1, 2016. The Company allotted 22,082,609 Equity Shares to the shareholders of the Mandhana Industries Limited on September 27, 2016. Therefore, considered as potential equity shares for the purpose of calculating Earning Per Share - Diluted (As per Accounting Standard 20 issued by ICAI) for the years ended March 31, 2015, March 31, 2016 and quarter ended June 30, 2016. Subsequently, 50,000 equity shares held by promoter group is cancelled.



Note 1
Fixed Asset Schedule

AS AT JUNE 30, 2016

SR. NO.	DESCRIPTION OF ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS AT 31.03.2015	ADDITIONS	DELETION / ADJUSTMENT	COST AS AT 30.06.2015	UP TO 31.03.2015	FOR THE YEAR ENDED	DELETION / ADJUSTMENT	UP TO 30.06.2015	AS ON 30.06.2015	AS ON 31.03.2016

(I) TANGIBLE ASSETS

1	Capital Expenditure on Rented Premises	1,639.30	11.09	-	1,650.40	300.49	38.72	-	339.21	1,311.19	1,338.81
2	Computers & Accessories	114.65	0.91	-	115.56	70.30	9.06	-	79.35	36.20	44.35
3	Office Equipments	132.06	1.20	-	133.26	48.01	10.98	-	58.99	74.27	84.04
4	Air Conditioners	34.33	-	-	34.33	8.88	1.62	-	11.50	22.83	24.45
5	Furniture & Fixture	1,078.93	69.71	-	1,148.64	149.53	26.18	-	175.71	972.92	929.40
	TOTAL :	2,999.27	82.91	-	3,082.18	578.21	85.55	-	664.77	2,417.42	2,421.06
	PREVIOUS YEAR TOTAL :	2,434.93	564.35	-	2,999.27	268.53	289.66	-	578.21	2,421.06	2,146.39

(II) INTANGIBLE ASSETS

1	Computer Software	57.75	1.95	-	59.70	10.95	2.90	-	13.85	45.84	46.81
	TOTAL :	57.75	1.95	-	59.70	10.95	2.90	-	13.85	45.84	46.81
	PREVIOUS YEAR TOTAL :	35.91	21.84	-	57.75	1.73	9.22	-	10.95	46.81	34.19



AS AT MARCH 31, 2016

SR. NO.	DESCRIPTION OF ASSET	GROSS BLOCK			COST AS AT 31.03.2016	DEPRECIATION				NET BLOCK	
		COST AS AT 31.03.2015	ADDITIONS	DELETION / ADJUSTMENT		UP TO 31.03.2015	FOR THE YEAR ENDED	DELETION / ADJUSTMENT	UP TO 31.03.2016	AS ON 31.03.2015	AS ON 31.03.2016

(I) TANGIBLE ASSETS

1	Capital Expenditure on Rented Premises	1,474.46	164.84	-	1,639.30	155.02	145.47	-	300.49	1,338.81	1,319.44
2	Computers & Accessories	99.97	14.88	-	114.85	37.12	33.17	-	70.30	44.35	62.85
3	Office Equipments	121.08	10.98	-	132.06	24.31	23.71	-	48.01	84.04	96.77
4	Air Conditioners	21.86	12.46	-	34.33	5.05	4.83	-	9.88	24.45	16.81
5	Furniture & Fixture	717.55	361.38	-	1,078.93	67.03	62.50	-	149.53	929.40	650.52
	TOTAL	2,434.93	564.35	-	2,999.27	288.53	285.68	-	578.21	2,421.06	2,146.39
	PREVIOUS YEAR TOTAL :	1,909.31	525.62	-	2,434.93	55.04	233.49	-	288.53	2,146.40	1,854.27

(II) INTANGIBLE ASSETS

1	Computer Software	35.91	21.84	-	57.75	1.73	9.22	-	10.95	46.60	34.19
	TOTAL :	35.91	21.84	-	57.75	1.73	9.22	-	10.95	46.60	34.19
	PREVIOUS YEAR TOTAL :	8.10	27.81	-	35.91	0.01	1.72	-	1.73	34.19	8.09



AS AT March 31, 2015

SR. NO.	DESCRIPTION OF ASSET	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		COST AS AT 31.03.2014	ADDITIONS	DELETION / ADJUSTMENT	COST AS AT 31.03.2015	UP TO 31.03.2014	FOR THE YEAR ENDED	DELETION / ADJUSTMENT	UP TO 31.03.2015	AS ON 31.03.2015	AS ON 31.03.2014

(I) TANGIBLE ASSETS

1	Capital Expenditure on Rented Premises	1,343.14	131.32	-	1,474.46	23.32	131.69	-	155.01	1,319.45	1,319.82
2	Computers & Accessories	65.92	34.04	-	99.96	11.01	26.12	-	37.13	62.83	64.91
3	Office Equipments	90.50	30.58	-	121.08	3.73	20.57	-	24.30	96.78	86.77
4	Air Conditioners	21.86	-	-	21.86	0.89	4.15	-	5.04	16.82	20.97
5	Furniture & Fixture	387.88	329.67	-	717.55	18.08	50.85	-	67.03	650.52	371.80
	TOTAL:	1,909.30	525.61	-	2,434.91	55.03	233.48	-	288.51	2,146.40	1,854.27

(II) INTANGIBLE ASSETS

1	Computer Software	8.10	27.81	-	35.91	0.01	1.72	-	1.73	34.19	8.09
	TOTAL:	8.10	27.81	-	35.91	0.01	1.72	-	1.73	34.19	8.09

AS AT March 31, 2014

NIL

AS AT March 31, 2013

NIL

AS AT March 31, 2012

NIL



MANAGEMENT DISCUSSION AND ANALYSIS

You should read the following discussion of our financial condition and results of operations together with our financial statements for the fiscals 2012, 2013, 2014, 2015 & 2016 and quarter ended June 30, 2016, including the notes thereto and the report thereon. These financial statements prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated September 27, 2016 have been included in this Information Memorandum under "Financial Information". You should also read the section titled "Risk Factors", which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

Our Industry

The Indian Retail Industry has emerged as one of the fastest growing industries. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. (Source: IBEF)

The Indian retail industry is estimated at USD 550 billion with apparel constituting around 8% of the total market size i.e. USD 44 billion (Rs.2640 billion). The apparel industry in India can be divided into two segments - "Ready-To-Stitch" ("RTS") and Ready-To-Wear ("RTW"). RTS currently contributes approximately 30 % of the overall apparel industry, but its share is fast declining, with the increasing availability of RTW apparels in various colors, sizes and patterns. Also, the lack of spare time left with consumers to go through the entire process of buying fabric and getting it stitched has helped the RTW segment to grow. Increasing organized retail penetration and popularising mall culture has also led the growth of the RTW segment.

The domestic Indian apparel market can be divided into three broad segments - men's apparels, women's apparels and kid's apparels.

Men's apparel - Men's apparel market size is estimated to be around Rs.1148 billion and contributed approximately 42 % to the overall apparel industry in 2015. It is the most penetrated segment in the domestic apparel market. (Source: India Business of Fashion Report 2016 / Images Group)

Women's apparel - Women's apparel market size is estimated to be around Rs.1024 billion in FY15. Its share in the domestic apparel market is around 38% in 2015. The robust growth in this segment can be attributed to the increase in the consumption of apparels due to the rising income levels, working women and more college going females. Also, the changing consumer preference and easy availability of RTW apparel in various colors, size and patterns as a result of increase in retail services, has enabled this segment to grow at a rate higher than the industry average. (Source: India Business of Fashion Report 2016 / Images Group)

Our Business

MIL, the Demerged Company had entered into global exclusive Brand License Agreement with "Being Human - The Salman Khan Foundation" on December 23, 2010 effective from January 1, 2011 to use trademark & logo of "Being Human" for all clothes range/clothing lines.

Post approval of Scheme, MIL and The Salman Khan Foundation agreed to terminate the erstwhile Brand License Agreement vide Termination Agreement dated August 24, 2016 and simultaneously our Company entered into global exclusive Trademark License Agreement on even date to design, manufacture, retail and distribute men's wear, women's wear and accessories under "Being Human" trademark until March 31, 2020.

Our Products

We offer a comprehensive line of fashion apparels for men's wear, women's wear and accessories under the 'Being Human' brand.

- a. Men's Category: T-Shirts (Crew & Polo), Shirts, Jackets / Suits / Blazers, Hoody, Sweaters, Denim, Chino, Track Pants, Track shorts, Pyjamas, Vest, Boxers & Underwear and Socks
- b. Women's Category: T-Shirts (Crew & Polo), Shirts / Blouses / Tops, Jackets, Hoody, Sweaters, Denim, Chinos, Track Pants, Track Shorts, Pyjamas, Dress, Undergarments, Skirts, Shrugs, Shorts, Leggings / Jeggings
- c. Accessories: Belts, Wallets, Flip flops, Wristbands, Scarf/Stole, Caps



As on September 30, 2016, our Company distributes Being Human Clothing through 537 retail selling points. Our distribution network comprises of 28 company owned exclusive brand outlet, 29 franchisee owned exclusive brand outlet including four overseas stores, 253 point of sales in domestic shop-in-shops forming part of large format stores (LFS) and multi brand outlet (MBOs), 12 distribution partners catering to 220 retailers and 7 online e-commerce selling points. Further, our Company also sells in international markets.

Our Competitive Strengths

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

- a. Strong brand recall 'Being Human'
- b. Salman Khan is the owner of the brand 'Being Human'
- c. Wide network of stores
- d. Understanding consumer preferences
- e. Presence across premium and value segments
- f. Complementing our retail stores by online distribution and other omni channel platforms
- g. Strong back-end with in-house designing, and healthy relationships with third-party vendors.

Our Strategies

We plan to continue to strengthen our position as a retailer of 'Being Human' products so as to reach out to a larger consumer base. Following are some of the key focus areas that will help us achieve our goal:

- Continue to maintain our focus on long term relationships with 'Being Human'
- Increase geographic penetration of 'Being Human' brand
- Target the growing segments

For further details on our Competitive Strengths and our Strategies, please refer to the section titled 'Our Business Overview' beginning on page no. 67 of this Information Memorandum.

Factors Affecting Our Results of Operations

Our business and results of operations are affected by a number of factors, including the following:

- a. Our ability to maintain business relationship with the 'Being Human - The Salman Khan Foundation';
- b. Our ability to raise additional financing in the form of debt and/or equity;
- c. Our ability to maintain and enhance the 'Being Human' brand;
- d. Our ability to expand footprints in India & Overseas;
- e. Our ability to identify changing fashion trends or any reduction in consumer demand;
- f. Our ability to respond to competition in the fashion/retail industry;
- g. Our ability to manage working capital, predominantly the inventories and receivables;
- h. Our ability to attract and retain key personnel;
- i. Our ability to maintain relationship with the Third Parties Stores and Vendors;
- j. Our ability to apply for and/or receive consents/ renewals of certain statutory approvals and licenses;
- k. Changes in the Government policies and/or regulatory environment

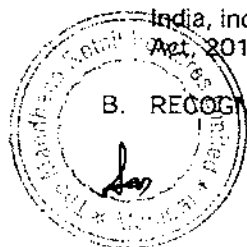
For further details, please refer to the section titled 'Risk Factors' beginning on page no. 9 of this Information Memorandum.

SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

A. BASIS OF ACCOUNTING

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, including the accounting standards notified under the relevant provisions of the Companies Act, 2013.

B. RECOGNITION OF INCOME AND EXPENDITURE:



- (i) Revenues/Income and costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.

C. USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

D. FIXED ASSETS

- a. The Gross Block of Fixed asset is recorded at cost, which includes duties and other identifiable direct expenses up to the date of commissioning of the assets and wherever applicable is net of credits available under CENVAT and VAT schemes.
- b. Incidental expenditure including interest on loans during construction period is capitalized up to the date of actual put to use.
- c. Profit/ Loss on the sale of fixed assets is accounted for in the Profit and Loss Account and credited/debited respectively to profit and loss account.
- d. Intangible Assets are stated at cost of acquisition less accumulated amortization.

E. DEPRECIATION

Tangible Assets

- a. Depreciation on fixed Assets is charged as follows :
 - i) Depreciation on Fixed assets is provided base on useful life of assets as prescribed by schedule II to the companies Act 2013 or reassessed based on management evaluation. In case of following assets useful life is different than those prescribed in schedule II to The Companies Act, 2013.

The useful life of the assets are as follows

Tangible Assets

Assets Classification	Useful life assessed by management
Office & Factory Equipment's	6-8.5 years
Furniture & fixtures	11-13.5 Years
Capital Expenditure on rented Premises	10-12 Years
Computer & Accessories	3.5-4.5 Years

Intangible Assets

These are amortized as under

Assets Classification	Amortization
Computer Software	Over the period of 5 Year

- b. On additions to the fixed assets made during the year, depreciation is provided on pro-rata basis, with reference to the date of addition.
- c. On deletion or sale of assets, no depreciation is provided.

F. INVESTMENT

Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary in the value of Long-term Investments.



However, fixed income long term securities are stated at cost, less amortization of premium/discount and provision for diminution to recognize a decline, other than temporary.

G. INVENTORIES

Finished goods are valued at cost or net realizable whichever is lower.

H. FOREIGN CURRENCY TRANSACTION

- a. All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- b. Monetary items denominated in foreign currency are restated at the exchange rate prevailing at the year-end and the overall net gain / loss is adjusted to the profit & loss account.
- c. In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expenses along with the exchange differences on the underlying assets/liabilities on the reporting date. Profit or loss on cancellations/renewals of forward contracts is recognized during the year.

L. EMPLOYEE BENEFITS:

- a. **Defined Contribution Plan:**
Contribution to provident fund is accounted on accrual basis with corresponding contribution to recognized fund.
- b. Company does not have any policy for Leave Encashment or any other pension plans/schemes. All the unused leaves outstanding as on 31st December gets lapsed and does not get accumulated.

M. BORROWING COST:

Interest and other cost in connection with the borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalized up to the date when such assets are ready for its intended use and all other borrowings cost are charged to revenue.

N. OPERATIONAL LEASE:

Operational lease payments are recognized as an expense in Profit & Loss accounts on accrual basis. Lease payments relating to project under development are capitalized to respective projects.

O. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

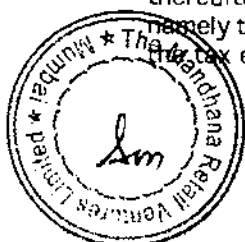
Contingent Liabilities are not recognized, but disclosed in the case of

- a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) A possible obligation, when the probability of outflow of resources is reasonably certain.

Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

I. INCOME TAX

- b. **Current Tax:** Provision is made for Income tax under the tax payable method based on the liability as computed after taking credit for allowances and exemptions. Current Tax provided for the year is also net of MAT Credit available under the I.T Act.
- b. **Deferred Tax :** Consequent to the Accounting Standard 22- Accounting for Taxes on Income becoming mandatory effective from 1st April, 2002, the differences that result between the profit offered for income tax and the profit as per financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the



accumulated timing differences at the end of an accounting period, based on prevailing enacted regulations.

P. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine,

- The provision for impairment loss, if any required or,
- The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined,

- In the case of an individual asset, at the higher of the net selling price and the value in use.
- In the case of a cash-generating unit, (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life)

RESULTS OF OPERATION

Our Company was incorporated on February 12, 2011, until April 1, 2014 (Appointed Date), our Company was not in active business operations. Accordingly, our historical operational data for fiscals 2012, 2013 and 2014 are different from our results of operations post Appointed Date.

Revenue

Our revenue from operations comprises of sale of garments & accessories across India and Overseas. For the quarter ended June 30, 2016 sales revenue accounted for Rs. 5371.95 lacs, whereas for fiscal 2016 & 2015 sales revenue was Rs. 21,812.68 lacs & Rs. 17,188.55 lacs, respectively.

Other Income

Other Income includes Income from foreign exchange fluctuation, discount received, miscellaneous income etc.

Expenses

Our expense comprises of cost of Sales, employee benefit expenses, administrative expenses, finance costs and depreciation.

The following table sets forth our expenditure in Rupees as a percentage of total revenue for the periods indicated:

Particulars	(Rs. in Lacs, except percentages)			
	Upto 30.06.2016	31.03.2016	31.03.2015	31.03.2014
Cost of Sales	2,092.85	11,508.87	7,969.90	-
% of total revenue	38.82	52.47	46.12	NA
Employee Benefit Expenses	450.82	1,867.50	1,340.28	-
% of total revenue	8.36	8.51	7.76	NA
Administrative Expenses	1,300.31	4,541.32	3,544.04	0.15
% of total revenue	24.12	20.70	20.51	NA
Interest and Financial Charges	49.38	442.79	1,074.62	-
% of total revenue	0.92	2.02	6.22	NA
Depreciation & Amortization	89.46	298.90	235.21	-
% of total revenue	1.66	1.36	1.36	NA

Cost of Sales

Cost of Sales represents purchase of stock and change in inventory under the brand 'Being Human'. We generally do not enter into agreements with our third party manufacturers from whom we buy finished products for sale and typically transact business on an order-by-order basis. During the quarter ended June



30, 2016, fiscal 2016 and 2015, cost of sales constituted 38.82%, 52.47% and 46.12% of total expenditures, respectively.

Employee Benefit Expenses

Employee benefit expenses comprises of employee salaries and bonuses, contribution to employee's provident fund and other funds, staff welfare expenses and employee benefits. Employee Benefit Expenses account for 8.36% of total revenue for the quarter ended June 30, 2016 and 8.51% & 7.76% for the fiscal ended March 31, 2016 & 2015, respectively.

Administrative Expenses

Administrative Expenses comprises of administrative, marketing and branding, miscellaneous expenditures. This includes rent, repairs to computer, civil and others, insurance premiums, legal and professional fees, travelling and conveyance expenses, legal & license fees, advertisement and marketing expenses and miscellaneous expenses. Administrative Expenses account for 24.12% of total revenue for the quarter ended June 30, 2016 and 20.70% & 20.51% for the fiscal ended March 31, 2016 & 2015, respectively.

Finance Costs

Finance costs comprises of interest paid to banks, delay payments to vendors and interest on security deposits paid to distributors. Our finance cost account for 0.92% of total revenue for the quarter ended June 30, 2016 and 2.02% & 6.22% for the fiscal ended March 31, 2016 & 2015, respectively.

Depreciation

Depreciation on fixed assets for the quarter ended June 30, 2016 and fiscal ended March 31, 2016 and 2015 is provided as per Schedule II of Companies Act, 2013 on the basis of the useful life to compute depreciation.

Profit before tax, as restated

Profit before tax rose from Rs. 3,116.65 lacs during the fiscal 2015 to Rs. 3,276.20 lacs during the fiscal 2016. Profit before tax for the quarter ended June 30, 2016 is Rs. 1,408.31 lacs. The growth in profit before tax results into better performance and efficiency in operations.

Tax

An increase in Profit before tax results into rise in provision for tax from fiscal 2015 to 2016. As per financials Provision for Current Tax rose from Rs. 1,059.76 lacs to Rs. 1,137.63 lacs during the fiscal 2015 to 2016. Pursuant to demerger, deferred tax provision for the fiscal 2015 is calculated on the basis of difference in book value of fixed assets as on March 31, 2015. Therefore, Deferred Tax Provision for fiscal 2015 is Rs. 39.88 lacs, Rs. 3 lacs is reversal of deferred tax provision for fiscal 2016 and Rs. 7.41 lacs is reversal of deferred tax for the quarter ended June 30, 2016.

Profit after tax

Profit after tax rose from Rs. 2,017.01 lacs during the fiscal 2015 to Rs. 2,141.58 lacs during the fiscal 2016. Profit before tax for the quarter ended June 30, 2016 is Rs. 920.89 lacs. The growth in profit before tax results into better performance and efficiency in operations.

Additional Information

a. Certain Qualifications and Emphasis of Matters Noted by Auditors

The Companies (Auditor's Report) Order, 2003 ("CARO") for the quarter ended June 30, 2016 contains certain auditors' remarks. The table below sets out the remarks of the Auditor and the management's response to such remarks:

Sr. No.	Remarks	Management's Response								
1.	Discharge of Statutory Dues: According to the information and explanations given to us, in respect of statutory dues, details of dues of Income-tax which have not been deposited as on June 30, 2016 on account of disputes are given below:	Pursuant to the Scheme, the income tax liability of MRVL has to be assessed separately from the Appointed Date. The income tax returns for the fiscal 2015 need to be revised and for the fiscal 2016 remains to be filed. Therefore, income tax dues outstanding as per books on even date remain unpaid.								
	<table><tr><th>Name of Statute</th><th>Nature of Dues</th><th>Period to which it relates</th><th>Amount (Rs. in Crs)</th></tr><tr><td></td><td></td><td></td><td></td></tr></table>	Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. in Crs)					
Name of Statute	Nature of Dues	Period to which it relates	Amount (Rs. in Crs)							



Sr. No.	Remarks				Management's Response
	Income Tax Act, 1961	Corporate Tax	FY 2014-15	10.59	
			FY 2015-16	11.39	
			April to June 2016	4.95	
2.	Delay in repayment of dues to Banks: In our opinion and according to the information and explanations given to us, the company has delayed in repayment of dues to bank during the quarter ended June 30, 2016. As at the quarter ended, the company has delayed in repayment of Rs. 2.50 crores towards term loan taken from Axis Bank.				Pursuant to the Demerger, procedure of assignment of Term Loan from MIL to MRVL was under progress, therefore said installment was unpaid. As of date the account stands transferred to our Company and has been regularised.
3.	The quantum of dues to small scale industrial undertaking is not determined				The Company is unable to classify vendors under micro, small and medium enterprises.

- b. Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.
There have been no unusual or infrequent events or transactions that may be described as "unusual" or "infrequent" and may have taken place during the last three years, except as disclosed in this Information Memorandum.
- c. Significant economic changes that materially affected or are likely to affect income from continuing operations;
Except as described herein and in "Risk Factors", there have been no significant economic changes that could affect our income from continuing operations.
- d. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;
Except as described in this Information Memorandum in general and "Risk Factors" and this section in particular, to the best of our knowledge and belief, there are no known trends or uncertainties that have or had or are expected to have any material adverse impact on our revenues or income from continuing operations.
- e. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known;
Other than as described in this section and the sections "Risk Factors" and "Our Business", to our knowledge, there are no known factors which will materially impact the future relationship between our costs and revenues.
- f. 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 sales prices;
The "Results of Operations" above discusses any increases or decreases in our revenues for Fiscal 2016 compared to Fiscal 2015 due to, amongst other factors, increased sales volume, introduction of new products and/or increased sales prices, as applicable to our business and our results of operations for the periods discussed.
- g. Total turnover of each major industry segment in which the issuer operated;
Our Company predominantly operates in a single segment and hence no separate industry segment is required to be reported under Indian GAAP.
- h. Status of any publicly announced new products or business segment;
We have not announced and do not expect to announce in the near future any new products or business segments.
- i. Any significant dependence on a single or few vendors or customers;
To our knowledge, apart from the details provided in the "Risk Factors" we do not depend on any particular vendors or customers.



J. Competitive conditions.

We operate in a competitive environment. For further details, please refer to the discussions of our competition in the section titled "Risk Factors" beginning on page 9 and section titled "Our Business Overview" beginning on page 67 of this Information Memorandum.



SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

This section should be read in conjunction with the Section "Risk Factors".

Except as described below, there are no:

- Material outstanding litigations, suits or criminal or civil prosecutions, proceedings or liabilities against our Company, our Directors, our Promoter and our Group Companies whose outcome could have material adverse effect on the position of our Company.
- Defaults, non-payment or overdue of statutory dues, institutional/bank dues and dues payable to holders of any debentures, bonds and fixed deposits, other unclaimed liabilities against our Company or Directors or Promoter or Group Companies.
- Pending proceedings initiated against our Company Promoter, Directors or Group Companies for economic offence
- Further, no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Directors, our Promoter and Group Companies.

This section has been divided into eight parts.

Part I	Contingent Liabilities of our Company
Part II	Litigation involving our Company
Part III	Litigation involving our Directors
Part IV	Litigation involving our Promoters
Part V	Litigation involving our Group Companies
Part VI	Penalties imposed in past
Part VII	Amounts owed to small scale industries and other creditors by our Company
Part VIII	Material Developments occurring after last balance sheet dated June 30, 2016 of our Company

PART I - CONTINGENT LIABILITIES OF OUR COMPANY

There are no contingent liabilities disclosed in our audited financial statements, as per Indian GAAP as of June 30, 2016. For further details, see the notes to our financial information under the section titled "Financial Information" on page 107 of this Information Memorandum.

PART II - LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

A(I) CIVIL PROCEEDINGS

1. *There are no civil proceedings against our Company except the following case which is deemed as transferred from Mandhana Industries Limited to our Company as a result of the Scheme.*

An Arbitration Petition bearing no. 921 of 2015 was filed in The High Court of Judicature at Bombay by Anand Villa Co-operative Housing Society Ltd. & 9 Others ("Petitioners") under section 9 of the Arbitration and Conciliation Act, 1996 against Parinee Realty Private Limited and 7 others including Mandhana Industries Limited, being the Respondent No. 2 in the said Arbitration Petition ("Respondents").

The said Arbitration Petition was disposed of vide Order dated October 20, 2015 passed by Hon'ble Shri Justice R.D. Dhanuka ("said Order"). Under the aforesaid Order no reliefs are sought for, by the Petitioners against the Respondent No. 2 i.e. Mandhana Industries Limited.

Aggrieved by the said Order, the Original Respondent Nos. 1 and 8 in the Arbitration Petition filed appeals before the Hon'ble High Court, Bombay.



Appeal No. 397 of 2016 was filed by Respondent No.1 i.e. Parinee Reality Private Limited and Appeal No. 418 of 2016 was filed by the Respondent No.8 i.e. Mr. Atul V. Madan.

Both the Appeals are pending for admission before the Hon'ble High Court, Bombay.

B. LITIGATION BY OUR COMPANY

B(I) CIVIL PROCEEDINGS

1. A Special Civil Suit bearing No 30 of 2016 has been filed by our Company in The Court of Civil Judge, (SD) at Palghar against (i) Iconic Fashion Retails Pvt. Ltd; (ii) Mr. Pawan Khamdelawal; and (iii) Ms. Pramila Khamdelwal inter alia for the recovery of the sum of Rs. 8,20,381/- alongwith interest @18% from the date of filing the suit till payment for non-payment in respect of the Being Human goods procured by the Defendants to be sold by them in their multi brand outlet. The suit is currently pending for hearing.

PART III LITIGATION INVOLVING OUR DIRECTORS

C. LITIGATION AGAINST OUR DIRECTORS

There are no Litigations instituted against our Directors.

C(I). INCOME TAX NOTICES AGAINST OUR DIRECTORS AND DISPUTED INCOME TAX DEMAND

1. Ms. Sangeeta M. Mandhana

As per the Income Tax Website following demand is payable by Ms. Sangeeta M. Mandhana

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount in Rs.
2013-2014	143(1a)	2014201337021500152T	07/08/2014	25,330

Ms. Sangeeta M. Mandhana has made an online application disagreeing with demand as credit for Tax Deducted at Source has not been given.

C(II). NOTICES AGAINST OUR DIRECTORS

Except for Legal Notices listed at G(V)(2) against (i) Ms. Sangeeta M Mandhana and (ii) Mr. Priyavrat Mandhana and G(V)(6) there are no other Notices that have been received by our Directors.

D. LITIGATION BY OUR DIRECTORS

There are no Litigations instituted by our Directors.

PART IV - LITIGATION INVOLVING OUR PROMOTERS

E. LITIGATION AGAINST OUR PROMOTERS

E(I) CIVIL PROCEEDINGS

Except for the civil proceedings stated in G(I)(1) filed against (i) Mr. Purushottam C. Mandhana and (ii) Mr. Biharilal C. Mandhana there are no other outstanding litigations against our Promoters.



E(II) INCOME TAX NOTICES AGAINST OUR PROMOTERS AND DISPUTED INCOME TAX DEMAND

1. Mr. Purushottam C. Mandhana

As per the Income Tax Website following demand is payable by Mr. Purushottam C. Mandhana

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand (Amount in Rs.)
2013-2014	143(1a)	2014201337015853694T	21/07/2014	15,230

Mr. Purushottam C. Mandhana has made an online application disagreeing with demand as credit for Tax Deducted at Source has not been given.

2. Mr. Biharilal C. Mandhana

As per the Income Tax Website following demand is payable by Mr. Biharilal C. Mandhana

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount in Rs.
2014-2015	143(1a)	2014201437055548612T	02/01/2015	5,450

Mr. Biharilal C. Mandhana has made an online application disagreeing with demand as short credit for Tax Deducted at Source has not been given.

3. Mr. Manish B. Mandhana

As per the Income Tax Website following are the demands payable by Mr. Manish B. Mandhana

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount in Rs.
2014-2015	143(1a)	2015201437018140186T	10/06/2015	6,783,640
2015-2016	143(1a)	2015201537065570924T	22/12/2015	6,307,910
Total				13,091,550

Mr. Manish B. Mandhana has made online applications disagreeing with demand as credit for Tax Deducted at Source has not been given.

E(III) NOTICES AGAINST OUR PROMOTERS

1. Legal Notice dated July 14, 2016 u/s 138/141 of the Negotiable Instruments Act, 1881 has been received by Mr. Purushottam C Mandhana from IFCI Venture Capital Funds Limited for return of cheque for a sum of Rs. 1,10,00,000/- under the Loan Agreement dated 27.09.2013 entered into with IFCI Venture Capital Funds Limited.
2. Legal Notice dated July 14, 2016 u/s 138/141 of the Negotiable Instruments Act, 1881 has been received by Mr. Manish B. Mandhana from IFCI Venture Capital Funds Limited for return of cheque for the sum of Rs. 1,10,00,000/- under the Loan Agreement dated 27.09.2013 entered into with IFCI Venture Capital Funds Limited.
3. A Demand Notice dated November 25, 2016 has been received by Mr. Purushottam C. Mandhana from IFCI Venture Capital Funds Limited for overdue amount of Rs. 2,36,58,724/- towards the personal loan of Rs. 10 Crs obtained from them. The matter is being discussed.
4. A Demand Notice dated November 25, 2016 has been received by Mr. Manish B. Mandhana from IFCI Venture Capital Funds Limited for overdue amount of Rs. 2,35,10,944/- towards the personal loan of Rs. 10 crs obtained from them. The matter is being discussed.



5. Legal Notice dated June 20, 2016 received by Mr. Manish Mandhana from STCI Finance Limited on account of a shortfall in the top up margin for the Sale of Shares of Mandhana Industries Limited. The loan against shares was sanctioned vide LOI Ref No. STCI/LAS/MM/2015-16/1816 dated 4th March, 2016 for the principal amount of Rs. 15 crs. STCI has invoked and sold certain number of shares provided as collaterals and thereby reducing the total outstanding to Rs 1.76 crs. as on September 30, 2016.
6. Legal Notice dated September 22, 2016 received by Mr. Purushottam C Mandhana from Allahabad Bank for dishonor of cheques aggregating to Rs. 11 Crores. Mandhana Industries Limited has sent its response to the aforesaid Notice.
7. Legal Notice listed at G(V)(1) has been received by our Promoters (i) Mr. Biharilal C. Mandhana and (ii) Mr. Purushottam C. Mandhana.
8. Legal Notice listed at G(V)(2) has been received by our Promoters (i) Mr. Manish B. Mandhana (ii) Mr. Biharilal C. Mandhana; (iii) Mr. Purushottam C. Mandhana and (iv) Purushottam C Mandhana HUF.
9. Legal Notice listed at G(V)(3) has been received by our Promoter Mr. Purushottam C. Mandhana.
10. Legal Notice listed at G(V)(6) has been received by our Promoters (i) Mr. Purushottam C. Mandhana (ii) Mr. Biharilal C. Mandhana; (iii) Mr. Manish B. Mandhana.

E(IV) LABOUR PROCEEDINGS AGAINST OUR PROMOTERS

Except for the labour proceedings stated

- (i) G (III) (6) filed against (i) Mr. Purushottam C. Mandhana (ii) Mr. Biharilal C. Mandhana and (iii) Mr. Manish B. Mandhana; and
- (ii) G (III) (7) (i) Mr. Purushottam C. Mandhana (ii) Mr. Biharilal C. Mandhana and (iii) Mr. Manish B. Mandhana

there are no other outstanding proceedings against our Promoters.

F. LITIGATION BY OUR PROMOTERS

There are no litigations filed by our Promoters.

PART V. LITIGATION INVOLVING OUR GROUP COMPANIES

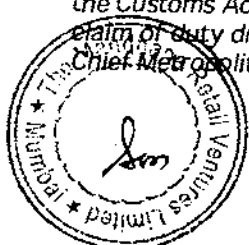
G. LITIGATION AGAINST OUR GROUP COMPANY

G(I) CIVIL PROCEEDINGS

1. A Summary Suit bearing No 02 of 2016 has been filed in The Court of Principal. SR. Civil, Vapi by Mr. Prahlad Kashiram Patel partner of Messer Umyia Acid and Chemical Co. GIDC Vapi for outstanding bills for the period October 01, 2014 to May 21, 2015 against (i) Mandhana Industries Limited; (ii) Mandhana Dyeing (unit of MIL); (iii) Mr. Purushottam C. Mandhana; and (iv) Mr. Biharilal C Mandhana for recovery of the sum of Rs. 703,855/-and interest and costs as decided by the Hon'ble Court. The Plaintiff has signed a memorandum of settlement dated 23.03.2016 but has subsequently retracted. Mandhana Industries Limited is in the process of taking necessary steps to defend itself.

G(II) CRIMINAL PROCEEDINGS

1. A criminal complaint registered as CC. No 16/CW of 2004 has been filed in the Court of the Learned Chief Metropolitan Magistrate At Esplanade, Mumbai, by Asst. Commissioner of Customs, Prosecution Cell (Appraising), v/s. (1) Mandhana Industries Limited; (2) Mr. Shashikant G. Mandhana and (3) Mr. Sudhakar S Jamshandekar u/s 132 of the Customs Act, 1962 and u/s 135(1) (a) (ii) of the Customs Act, 1962 r/w Section 120-B of the Indian Penal Code 1860 for the alleged fraudulent claim of duty drawback of Rs. 1,426,205/-. The matter is pending before the Court of the Learned Chief Metropolitan Magistrate At Esplanade, Mumbai.



G(III) LABOUR PROCEEDINGS

1. A Complaint bearing UPL No 102/2016 has been filed with the Labour Court at Thane by Mr. Prabhakar H Sabat u/s 28 of the Unfair Labour Practices r/w items 1(a), (b), (d), (e) & (f) of Schedule V of MRTU and PULP Act dated February 27th, 2014 against Mandhana Industries Limited (Weaving House). The Complainant has prayed inter alia for reinstatement with full back wages and continuity of services w.e.f.08/08/2013 with all consequential benefits and to pay the earned wages for the month of July till 7th August, 2013 and costs of Rs. 25,000/-. The parties are in the process of settling the claim amicably.
2. A Complaint (ULP) No 88 of 2016 has been filed In The Industrial Court, Maharashtra at Thane before Shri Shrikant. K. Deshpande, Member by the Textile Kamgar Sabha u/s 28 r/w items 9 and 10 of Schedule IV of the MRTU & PULP Act, 1971 against Mandhana Industries Limited (Mandhana Dyeing & Ors) on behalf of 153 employees who all of whom are not employees of the Mandhana Industries Limited. The Company has filed its reply stating that the complaint is not maintainable in law or in fact. The Complaint is currently pending hearing.
3. Misc- Application (ULP) No 9 of 2016 has been filed in the 3rd Labour Court at Thane by Mr. Virendra Dubey under items 1 (a) (b) (d) (e) (f) and (g) of Schedule IV MRTU & PULP Act, 1971 against Mandhana Industries Limited. A Memorandum of Settlement has been entered by the Parties and the same has been submitted in court. A sum of Rs. 29,548/- has been paid to the Petitioner by Mandhana Industries Limited. The final order is awaited.
4. A complaint bearing Appl (WCA) No 217/C-49/2015 has been filed before The Commissioner of Workmen's Compensation at Thane by Mr. Rajeshkumar Ashok Mahato for 100% compensation for loss of one eye for the sum of Rs. 1,016,592/- along with interest @12% p.a and penalty against Mandhana Industries Limited and United India Insurance Company Limited. Mandhana Industries Limited has filed its response. The Complaint is currently pending hearing.
5. A complaint bearing No (IT) 12 of 2014 has been filed Before Shri C.G.Petkar, Member, Industrial Tribunal, Maharashtra Mumbai against (i) Mandhana Industries Limited (ii) Mr. Jogindarnath K Mehra; (iii) Mr. Vijaykumr K Mehra; (iv) Mr. Tilakraj K Mehra; (v) Mr. Bhaskar S Waman; (vi) Mr. Paras L Veera by the Workmen represented by Ladhaku Garments Mazdoor Sangh for reinstatement of 22 workmen with all consequential benefits from their date of termination under Section 25 F (a) & (b) of the Industrial Disputes Act, 1947. Mandhana Industries Limited stand is that there is no employer employee relationship, and the workers belong to the Job Contractor and therefore the complaint is not maintainable and the Company is in the process of filing its reply.
6. A complaint bearing No C (ULP) No. 173 of 2016 has been filed In the Industrial Court, Maharashtra Mumbai against (i) Mandhana Industries Limited; (ii) Mr. Purushottam C Mandhana; (iii) Mr. Biharilal C Mandhana; (iv) Mr. Manish B Mandhana; (v) M/s Sainetra Enterprises; (vi) Mandhana Innovation Centre (vii) Mr. Rahul Kadam-Manager by Akhil Bhartiya General Kamgar Union on behalf of 39 employees whose name appear in the Annexure A for unfair labour practices under section 28 R/W item nos. 1 (a), (b), 4 (a) and 6 of schedule II and item nos.9 & 10 of Schedule IV of M.R.T.U. & P.U.L.P. Act, 1971. The statement claims that Respondent no. 1, 5 7 6 are sister concerns having functional integrity between them and are controlled by the same management having same address and work force, the employees of both establishments are inter-transferable without issuing formal transfer letter & without break in service, employees are not issued any leave card, attendance card, salary slip, appointment letter etc., non-payment of bonus, overtime etc. illegal closure lockout. Mandhana Industries Limited has filed its response stating that the persons mentioned in annexure A are not employed by them and do not have any master servant relationship under existing industrial law, premises at Sewri is owned by Mandhana Industries Limited and given on Leave & License to Sainetra Enterprises, Mandhana Industries Limited provides job work to Sainetra against job work purchase order, the leave & license agreement was not renewed as Mandhana Industries Limited required the premises for its own use, further the job work arrangement was stopped as Mandhana Industries Limited had to divert the orders to its Tarapur unit as its own permanent workers had scarcity of work.
7. Certain employees of Sainetra Enterprises claiming to be employees of Mandhana Industries Limited have approached the Office of the Dy. Commissioner of Labour, who in turn has issued notices to (i) Mandhana Industries Limited; (ii) Mr. Purushottam C. Mandhana; (iii) Mr. Biharilal C. Mandhana; and



(iv) Mr. Manish B. Mandhana to file its reply to the complaint received. Mandhana Industries Limited is taking the necessary steps to address the notices received. The number of notices that may be received in connection with the same matter is not quantifiable at this point in time.

8. A complaint bearing No DYCI/MCITY/IDA/5/2016/2A/F/S Ward/Desk-20 has been filed before the Office of the Dy. Commissioner of Labour against (i) Mandhana Industries Limited; (ii) Mr. Purushottam C Mandhana; (iii) Mr. Biharilal C Mandhana; (iv) Mr. Manish B Mandhana; (v) M/s Sainetra Enterprises; (vi) Mr. Rahul Kadam-Manager by Mr. Amir Jan Shaikh for reinstatement with continuity of services and full back wages. The Company has filed its response wherein it has stated that Mr. Amir Jan Shaikh is not an employee and his assumptions are untrue and that he is an employee of M/s Sainetra Enterprises. Mandhana Industries Limited is pursuing the matter. The matter has been dismissed as the complainant did not pursue the matter in compliance with the law. A copy of the final order is awaited.

G (IV) INCOME TAX NOTICES AGAINST GROUP COMPANIES AND DISPUTED INCOME TAX DEMAND

1. Mandhana Industries Limited

As per the Income Tax Website following are the demands payable by Manhana Industries Limited

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount In Rs.
2002-2003	143(1)	2009200251015709312C	21/03/2013	610,010
2003-2004	143(3)	2010200351090110981C	31/03/2010	512,408
2004-2005	143(1)	2009200451015709335C	21/03/2006	835,858
2005-2006	143(1)	2009200551015709343C	08/12/2007	320,382
Total				2,278,658

Mandhana Industries Limited is in the process of resolving the tax demand, as per IT website for above completed assessment years.

2. Mahan Synthetic Textiles Private Limited

As per the Income Tax Website following are the demands payable by Mahan Synthetic Textiles Private Limited

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount In Rs.
2002-2003	220(2)	2014200237018153063C	25/07/2014	1,564
2004-2005	220(2)	2014200437018153076C	25/07/2014	184
*2006-2007	220(2)	2014200637018153082C	25/07/2014	15,300
*2008-2009	143(3)	2009200851015713143C	21/12/2009	8,716,024
*2011-2012	143(1a)	2011201110069874181C	06/02/2012	197,780
Total				8,930,852

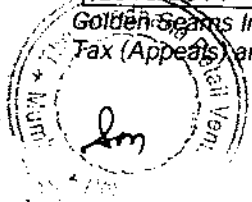
*Mahan Synthetic Textiles Private Limited has vide its letter dated September 13, 2010 and August 08, 2014 addressed to the Income Tax Officer stated that the demands raised are not sustainable and to look into the matter.

3. Golden Seams Industries Private Limited

As per the Income Tax Website following demand is payable by Golden Seams Industries Private Limited

A.Y.	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount In Rs.
2013-2014	143(3)	2015201310010545856C	11/03/2016	254,550

Golden Seams Industries Private Limited has filed an Appeal before the Commissioner of Income Tax (Appeals) and awaits a response.



4. M/s Balaji Corporation

As per the Income Tax Website following are the demands payable by M/s. Balaji Corporation.

A.Y	Section	Demand Identification No	Date of Demand	Outstanding Demand Amount in Rs.
2009-2010	115(WE)	2010200910051964895T	17/03/2011	2,550
2009-2010	143(1a)	2010200910051964884T	17/03/2011	183,650
2012-2013	143(3)	2014201210013444863T	23/03/2015	420
TOTAL				186,620

G(V) NOTICES AGAINST GROUP COMPANIES

1. Legal Notice dated June 21, 2016 u/s 176 of the Indian Contract Act, 1872 for sale of pledged shares has been received by (i) Mahan Synthetic Textiles Private Limited; (ii) Mandhana Industries Limited; (iii) Mr. Biharilal C Mandhana; (iv) Ms. Prema P Mandhana and (v) Mr. Purushottam C Mandhana from IFCI Limited for remittance of dues for the sum of Rs. 3,39,39,794/- + interest failing which IFCI Limited will proceed to enforce/sale of the pledged security of 21,00,000 shares of MIL (i.e. 10,50,000 shares of Mahan Synthetic Textiles Private Limited and 10,00,000 shares & 50,000 shares of MIL held by Mr. Biharilal C Mandhana; Ms. Prema P Mandhana & Mr. Purushottam C Mandhana respectively). IFCI Limited has invoked pledge on 10,00,000 equity shares out of 21,00,000 equity shares pledged with them.
2. Legal Notice dated September 30, 2016 u/s 176 of the Indian Contract Act, 1872 has been received by (i) Mahan Synthetic Textiles Private Limited; (ii) Mr. Biharilal C Mandhana; (iii) Ms. Sudha B. Mandhana; (iv) Mr. Manish B Mandhana; (v) Mr. Purushottam C Mandhana; (vi) Ms. Sangeeta M Mandhana; (vii) Ms. Prema P Mandhana; (viii) Mr. Priyavrat P Mandhana; (ix) Purushottam C Mandhana HUF; (x) Ms. Minal Rajevee Makhija; (xi) Mr. Sanjeev Shyam Sunder Makhija from IDBI Trusteeship Services Ltd on account of a shortfall in the security margin, subscribed by ECL Finance Limited being Rs. 33.67 crs as on September 29, 2016 for Non-Convertible Debentures Rs. 80 crs.. IDBI Trusteeship Services Ltd has invoked pledge on 1,769,865 equity shares out of 10,322,646 equity shares pledged with them.
3. Legal Notice u/s 138 of the Negotiable Instruments Act, 1881 dated September 12, 2016 received by (i) Mandhana Industries Limited and (ii) Mr. Purushottam C. Mandhana issued by the advocates of Allahabad Bank for dishonor of cheques aggregating to Rs. 11 Crores. Mandhana Industries Limited has sent its response to the aforesaid Notice.
4. Demand Notice dated September 23, 2016 received by Mandhana Industries Limited from Karur Vysya Bank for exercising general lien on the Term Deposit exclusively held by the Bank in capacity as scheduled bank for the Statutory Deposits kept for the redemption of Non-Convertible Debentures for failure to repay the outstanding balance of Rs. 16.16 Cr and interest thereon. Mandhana Industries Limited has replied to the said Demand Notice stating that such statutory deposits are free from any charge or lien and have demanded that the invocation of said deposits be revoked. The matter is being discussed with the Bank.
5. Default and Show Cause Notice dated October 14, 2016 received by Mandhana Industries Limited from L&T Finance Limited for default in payment of principal and interest of Rs. 3.37 crs and. In this regard, a similar Legal Notice dated October 27, 2016 has also been received from the debenture trustee i.e. IDBI Trusteeship Services Ltd. Consequently a Notice u/s 434 of the Companies Act, 1956, dated November 02, 2016 has been received by Mandhana Industries Limited issued through the Advocate of L&T Finance Limited. Thereafter, a Notice dated December 02, 2016 has been received from IDBI Trusteeship Services Ltd. proposing a joint meeting on December 09, 2016 amongst debenture trustee, debenture holders & Mandhana Industries Limited. .
6. Legal Notice u/s 13(4) of the Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act 2002 dated November 21, 2016 received by (i) Mandhana Industries Limited (ii) Mr. Purushottam C. Mandhana (ii) Mr. Biharilal C Mandhana; (iv) Mr. Manish B Mandhana; (v) Mr. Prashant Asher; (vi) Khursheed Thanawalla; and (vii) Sangeeta M Mandhana issued by Allahabad

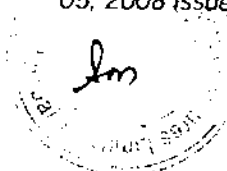


- Bank for taking over possession of the assets charged to the bank for default in payment of Rs. 107,31,89,535/- along with interest and other charges for various credit facilities offered to Mandhana Industries Limited. Allahabad bank in its aforesaid Legal Notice has stated that it would be taking possession of the underlying assets on December 3, 2016. However, to date no such action has been taken.
7. Legal Notice dated October 28, 2016 has been received by Mandhana Industries Limited from debenture trustee i.e. IDBI Trusteeship Services Ltd on behalf of Canara Bank for non-payment of coupon and partial redemption as on October 03, 2016 of Rs. 4,27,58,589 crs for Non-Convertible Debentures Rs. 10 crs. In this regard, Canara Bank has also issued a legal notice dated November 01, 2016. Thereafter, a Notice dated December 02, 2016 has been received from IDBI Trusteeship Services Ltd. proposing a joint meeting on December 09, 2016 amongst debenture trustee, debenture holders & Mandhana Industries Limited.
 8. Demand Notice dated November 4, 2016 has been received by Mandhana Industries Limited from BSE Limited for delay in submission of Corporate Governance Report ("CGR") for the quarter ended September 30, 2016 under regulation 27(2) of SEBI (LODR) Regulations, 2015 imposing a fine of Rs. 4,000/- (excluding services). Mandhana Industries Limited inter alia responded on November 08, 2016 that it was unable to furnish the information pertaining to the Independent Directors in the prescribed format due to resignation of the Independent Directors and hence was unable to upload the CGR for the quarter ending September 30, 2016 by October 17, 2106 on BSE Listing platform and for a reversal of the fine of Rs. 4,000/- (exclusive of service tax).
 9. Demand Notice dated October 26, 2016 has been received by Mandhana Industries Limited from NSE for delay in submission of Corporate Governance Report ("CGR") for the quarter ended September 30, 2016 under regulation 27(2) of SEBI (LODR) Regulations, 2015 imposing a fine of Rs. 4,000/- (excluding services). Mandhana Industries Limited inter alia responded on October 26, 2016 that it was unable to furnish the information pertaining to the Independent Directors in the prescribed format due to resignation of the Independent Directors and hence was unable to upload the CGR for the quarter ending September 30, 2016 by October 17, 2106 on NEAPS platform and for a reversal of the fine of Rs. 4,000/- (exclusive of service tax).

H. LITIGATION BY OUR GROUP COMPANY

H(I). CIVIL PROCEEDINGS

1. A Summary Suit bearing No CS (OS) 2796/2012 in the High Court of Delhi at New Delhi has been filed by Mandhana Industries Limited against Lilliput Kidswear Limited through its Directors for the recovery of the sum of Rs. 55,54,663/- alongwith pendente lite and interest @ 18% from the date of withholding the amount till the realisation of the amount for the goods sold. Vide order dated January 19, 2016 of J. Valmiki J. Mehta the suit has been disposed off for the time being on account of the defendant becoming a sick company with liberty to revive the suit on permission being obtained from the Board for Industrial and Financial Reconstruction (BIFR) under section 22 of the Sick Industrial Companies (Special Provision) Act, 1985. Mandhana Industries Limited has filed an application with BIFR for revival of civil proceedings.
2. A Summary Suit bearing No 3947 of 2013 In The Bombay City Civil Court at Mumbai has been filed by Mandhana Industries Limited against Mr. Jaisukh Salat proprietor Ankitam Textile for finished fabrics sold. Vide Order dated November 26, 2014 of R.K.Malabade Additional Sessions Judge City Civil Court, Gr. Mumbai the Suit was decreed with Costs in favour of the Plaintiff viz for the sum of Rs. 10,45,550/- towards debts & interest; Rs. 13683 toward cost and further simple interest @ 9% p.a. on Rs. 9,12,762/- from the date of filing of the suit till actual payment/realisation. A Notice of Motion No 1830 of 2016 dated April 25th, 2016 had been filed by Mr. Jaisukh Salat for setting aside the Ex-Parte Decree and condonation of delay, which has been opposed by Mandhana Industries Limited.
3. Writ Petition No 5957 of 2008 in The High Court of Judicature at Bombay has been filed by Mandhana Industries Limited against the Union of India and Ors. This petition has been filed against the demand notices dated June 13, 2007 and November 23, 2007 issued by the Assessing Officer demanding textile cess of Rs. 4,06,754/- and Rs. 3,80,488/-, respectively demand notice dated July 05, 2008 issued by the Tehsildar, Palghar demanding an amount of Rs. 4,06,754.50 and the order



dated November 20, 2007 passed by Textile Committee Appellate Tribunal dismissing the appeal made against the abovementioned demand notices issued by the Assessing Officer. Further, Mandhana Industries Limited has prayed for a writ of mandamus to be passed by the High Court directing the Union of India and its servants and its representatives to withdraw the demand notices and the order mentioned above. The High Court has passed an interim order directing the Union of India to refrain from proceeding in pursuance of the impugned demand notice dated June 13, 2007 and November 23, 2007 issued by the order mentioned above subject to Mandhana Industries Limited executing a bond of Rs. 8,00,000/- with a nationalized bank which bond has been furnished/renewed by Mandhana Industries Limited and is currently in force.

H(II) CRIMINAL PROCEEDINGS

1. A Complaint CC No 1285/SS/15 was filed In the Ld. Metropolitan Magistrate 28th Court at Esplande Court, At Mumbai, for the dishonour of cheque for the sum of Rs. 11,46, 731/- under Section 138 r/w Section 141 of the Negotiable Instruments Act, 1881 by Mandhana Industries Limited against (i) Cottstown Fashions Ltd; (ii) Mr. Saurabh Dilip Pradhan; (iii) Mr. Dilip Vasant Pradhan and (iv) Mr. Sanjay Rameshchandra Vyas for process to be issued against Accused Nos 1 to 4 in order that they may be punished for offence u/s 138r/w section 141 of the Negotiable Instruments Act, 1881 and to award compensation amount imposed upon the Accused Nos 1 to 4 , compensation u/s 357(3) of Cr. P.C. 1973 to us. An arrest warrant has been issued against Accused No 4. Mr. Sanjay Ramesh Vyas. The matter is pending for hearing.
2. A Complaint CC No 1189 of 2015 was filed In the Court of Additional Chief Metropolitan Magistrate, Saket Courts at Delhi At Mumbai, for 14 cheques aggregating to Rs. 55,54,663/- bearing under Section 138 r/w Section 141 of the Negotiable Instruments Act, 1881 by Mandhana Industries Limited against (i) Liliput Kidswear Limited (ii) Mr. Sanjeev Narula; (iii) Mr. Madanlal Narula; (iv) Mr. Arun Jain; and (v) Mr. Kawaljit Singh Dhillon inter alia to summon, prosecute and punish the accused persons and pay compensation u/s 357(3) of Cr. P.C. 1973 to Mandhana Industries Limited . The matter is pending for hearing.

H(III) EXCISE

1. Settlement Application filed against the Show Cause Notice no. F. No. V. Adj (SCN) 30-43/Thane-II/06 dated June 09, 2006 issued by Additional Commissioner, Central Excise, Thane - II. The above show cause notice was issued by the Commissioner, Central Excise, Thane-II, in the name of Mandhana Industries Limited Dyeing Division at Tarapur, Mandhana Industries Limited , Mandhana Industries Limited Export Division and Mr. Purushottam Mandhana (Noticees)
 - i. calling upon Mandhana Industries Limited Dyeing unit to show cause as to why:
 - a. the deemed credit availed by Mandhana Industries Limited at the time of clearance of the aforesaid goods as well as deemed credit arising out of the differential duty leviable on the same goods, should not be denied in terms of para 6 of Notification No. 6/2002 CE dated March 01, 2002 while demanding the duty short paid;
 - b. the duty demanded after denying the benefit of notification no. 6/2002 CE dated March 01, 2002 works out to Rs. 41,525,760/- for the period May 01, 2001 to May 24, 2003 should not be demanded and recovered from them under the provisions of section 11A(1) of Central Excise Act, 1944;
 - c. interest at the appropriate rate should not be recovered from them under section 11AB of the Central Excise Act, 1944;
 - d. penalty should not be imposed on them under the provisions of section 11AC of the Central Excise Act, 1944;
 - e. penalty should not be imposed on them under the provisions of Rule 173Q(1) of the Rules and later on Rule 25 of the new Rules; and
 - f. the Central Excise Duty of Rs. 1,520,259/- and interest of Rs. 53,859/- paid by our Company should not be appropriate towards the Central Excise Duty and interest as may be determined as payable / leviable in respect of duty and interest demanded above at sr. no. (b) and (c).
 - ii. calling upon Mandhana Industries Limited and Mandhana Industries Limited Export Division to show cause as to why penalty should not be imposed on each of them under Rule 209A of the Rules and later Rule 26 and / or Rule 27 of the new Rules.



- iii. Calling upon Mr. Purushottam Mandhana to show cause as to why penalty should not be imposed on him under Rule 209A of the Rules and later Rule 26 and / or Rule 27 of the new Rules for the aforesaid acts of omission and commission on his part.

All the Noticees filed a settlement application before the Settlement Commissioner on the following grounds:

- the effective rate of duty not allowed show cause notice issued taking maximum duty as per tariff rate;
- deemed credit of CENVAT Credit not allowed;
- department has gone against its own letter F. No. V/PI/TH-II/12-17/2003/2680 dated June 21, 2005;
- duty was being paid on coat construction basis equal to the duty which was being paid in respect of fabrics received from the independent job workers as well as on their own fabrics received from the principal and another division at the same ratio. Therefore the present show cause notice is in discrimination;
- show cause notice is time barred as the same is issued after the stipulated period;
- there is no suppression, fraud collusion, misstatement in this case as all the facts are known to the department;

The Settlement Commission passed an interim order dated November 15, 2006 directing Mandhana Industries Limited to pay Rs. 3,12,75,928/- as a condition of admitting the application and also adjusted Rs. 20,75,100/- already paid by Mandhana Industries Limited before issuance of show cause notice. Further as per the order dated January 6, 2010 passed by the High Court of Bombay, in the Writ Petition no. 622 of 2007, Mandhana Industries Limited has deposited Rs. 2,69,83,156 aggregating to Rs. 42,92,772/- with Administrative Officer, Customs and Central Excise, Settlement Commission, Mumbai. The Settlement Application is pending before the Settlement Commissioner.

H(IV) TAX

- An Appeal bearing No VAT AP No 83/12-13 has been filed on 18.08.2012 before the Joint Commissioner of Commercial Taxes Appeals (6) Bangalore against the Assessment Order for the financial year 2010-11 bearing CTO/Audit -6.4/VAT Dvn 6/12-13 dated 17.07.2012 of Commercial Tax Office (Audit) wherein Mandhana Industries Limited has been assessed for the Financial Year 2010- 2011 for the amount Rs. 2,23,354/- inclusive of interest Rs. 32,527/- and Penalty of Rs. 17,348/- the hearing is complete the judgment is awaited.

PART VI - PENALTIES IMPOSED IN PART CASES

1. PENALTIES PAID BY OUR COMPANY IN THE LAST FIVE YEARS

There are no penalties paid by our Company except that the following penalty which is deemed as transferred from Mandhana Industries Limited to our Company as a result of the Scheme

Year	Amount in Rs.	Brief Description
2016	72,000/-	Criminal complaint registered as Case No 42/6341/SS/2016 to Case No 42/6349/SS/2016 had been filed in the 42 nd Court of Metropolitan Magistrate at Dadar, Mumbai by the Mumbai Municipal Corporation (MMC) to answer charges u/s 471 of the Mumbai Municipal Corporation Act r/w section 328A. The MMC found an illuminated showcase of size 7x13 Display -Being Human without the permission of the MMC at Unit No G 76, R. City Mall on May 09, 2016. Summons had been received by Directors of Mandhana Industries Limited viz:-(i) Mr. Manish B Mandhana (ii) Mr. Biharilal C Mandhana; (iii) Sanjay K Asher; and (iv) Mr. Purushottam C Mandhana and penalties were paid by the Company on behalf of its directors @ Rs. 2000 x 4 x 9 = 72,000/- The matter stands closed.

2. PENALTIES PAID BY OUR DIRECTORS IN THE LAST FIVE YEARS



3. PENALTIES PAID BY OUR PROMOTERS IN THE LAST FIVE YEARS

Except for the penalties stated in 1 against our Promoters (i) Mr. Purushottam .C. Mandhana and (ii) Mr. Biharilal C Mandhana and (iii) Mr. Manish B Mandhana there are no other penalties paid by our Promoters

4. PENALTIES PAID BY OUR GROUP COMPANIES IN THE LAST FIVE YEARS

Year	Amount Rs.	Brief Description
2013	50,000	Compounding of Offence for non compliances under The Legal Metrology Act, 2009 & Rules thereunder paid by Mandhana Industries Limited
2013 - 2014	41,068	Due to the differential tax liability under Professional Tax Act due to incentives paid to employees over and above the basic salary for the years 2013 to 2016. The payment was made in the financial year 2015-16 paid by Mandhana Industries Limited.
2014 - 2015	17,808	
2015- 2016	64,220	
Total	1,23,096	
2016	6,85,676/-	Paid to BSE for non-compliance with regulation 33 of SEBI (LODR) Regulation, 2015.
2016	7,06,239/-	Paid to NSE for non-compliance with regulation 33 of SEBI (LODR) Regulation, 2015.

PART VII - AMOUNTS OWED TO SMALL SCALE INDUSTRIES AND OTHER CREDITORS BY OUR COMPANY

Our audited financial statements, as of June 30, 2016 states that

- the quantum of dues to small scale undertaking is not determined; and
- the amount owed to other creditors is Rs. 2,492.55 lacs.

The number of creditors is 296.

PART VIII - MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATED JUNE 30, 2016 OF OUR COMPANY.

Except as disclosed in the chapter titled "Our Business Overview", "History of our Company and Certain Corporate Matters" and "Financial Information" on page 67, 73 and 107 respectively of this Information Memorandum, since June 30, 2016, there have not been any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay our material liabilities within the next twelve months.



GOVERNMENT APPROVALS & LICENCES

Our Company was incorporated as 'Mandhana Retail Ventures Limited' vide Certificate of Incorporation dated February 12, 2011 by the Registrar of Companies, Maharashtra and obtained the Certificate of Commencement of Business on April 9, 2011 under the Companies Act, 1956. Our Company's name was changed to 'The Mandhana Retail Ventures Limited' vide a fresh certificate of incorporation consequent to change of name dated September 26, 2016 by the Registrar of Companies, Maharashtra under the Companies Act, 2013.

- The CIN of our Company is U52390MH2011PLC213349
- Permanent Account Number of our Company as issued by the Income Tax Department is AAHCM2029B.
- Tax Deduction Account Number of our Company, as issued by the Income Tax Department is MUMM40456D.

Pursuant to the Scheme, all consents, permissions, licenses, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company is bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.



SECTION VII - REGULATORY AND STATUTORY

REGULATORY AND STATUTORY DISCLOSURES

Authority for the Scheme

The Hon'ble High Court of Judicature at Bombay, vide its Order dated March 29, 2016, has sanctioned the Scheme of Arrangement between MIL and MRVL and their respective creditors and shareholders.

Authority of Listing

The Hon'ble High Court of Judicature at Bombay, vide its order dated March 29, 2016 (filed with the ROC on March 31, 2016), has approved the Scheme of Arrangement between Mandhana Industries ("Demerged Company") and Mandhana Retail Ventures Limited ("Resulting Company") and their respective shareholders and creditors effective from April 1, 2016 (the Effective Date). For more details relating to the Scheme and Demerger, please refer to the chapter titled "Salient Features of the Scheme" beginning on page no. 31 of this Information Memorandum. In accordance with the Scheme, the Demerged Undertaking stands transferred to and vested with Mandhana Retail Ventures Limited w.e.f. April 1, 2014 (the Appointed Date) pursuant to Section 391 to 394 read with Section 100 to 103 of the Companies Act, 1956. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE and also subject to such other terms and conditions as prescribed by BSE and NSE at the time of application by our Company seeking listing.

Eligibility Criterion

There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations 2009 do not become applicable. However, SEBI has vide its letter no. CFD/DIL-III/NR/AEA/OW/2016/32282 dated November 28, 2016, granted relaxation of clause (b) to sub-rule (2) of rule 19 thereof by making an application to SEBI under sub-rule (7) of rule 19 of the SCRR as per the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. Our Company has submitted the Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE for making the said Information Memorandum available to public through their websites www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website www.mandhanretail.com. Our Company has published an advertisement in the newspapers containing the details as per the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with CIR/CFD/CMD/16/2015 dated November 30, 2015. The advertisement has drawn specific reference to the availability of this Information Memorandum on the website.

Prohibition by SEBI

Our Company, directors, promoter, other companies promoted by our Promoter and companies with which our Company's directors are associated as directors have not been prohibited from accessing the capital market under any order or direction passed by SEBI.

Identification as willful defaulter by RBI

Our Company, Promoters, Group Companies, the relatives (as per Companies Act, 1956) of Promoters, Group Companies have not been identified as willful defaulters by Reserve Bank of India or other authorities.

General Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements published in terms of SEBI Circular SEBI/CFD/DIL/5/2013 dated February 4, 2013 or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company 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.

Disclaimer - BSE

As required, a copy of this Information Memorandum has been submitted to BSE. The BSE has vide its letter no. DCS/AMAL/CS/24(f)/148/2015-16 dated September 11, 2015 approved the Scheme of Arrangement filed by Mandhana Industries Limited under clause 24(f) of the Old Listing Agreement and by virtue of that approval BSE's name has been inserted in this Information Memorandum as one of the stock exchanges on which our Company's securities are proposed to be listed.



The BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or warrant that this Company's securities will be listed or will continue to be listed on the BSE; or take any responsibility for the financial or other soundness of this Company; and
- It should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE.
- Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the 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.

Disclaimer – NSE

As required, a copy of this Information Memorandum has been submitted to NSE. NSE has vide its letter no. NSE/LIST/42456 dated September 14, 2015 approved the Scheme of Arrangement filed by Mandhana Industries Limited under clause 24(f) of the Old Listing Agreement and by virtue of that approval NSE's name has been inserted in this Information Memorandum as one of the stock exchanges on which this Company's securities are proposed to be listed.

The NSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that our Company's securities will be listed or continue to be listed on the NSE; or
- take any responsibility for the financial or other soundness of this Company, its Promoters, its management; or
- any scheme or project of our Company.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that this Information Memorandum has been cleared or approved by NSE.

Every person who desires to apply for or otherwise acquire any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

This Information Memorandum has been filed with BSE and NSE.

Listing

Applications will be made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares. Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within such period as approved by SEBI.

In Principle Approval from BSE & NSE

Our Company has received in-principle approval from BSE & NSE vide their letter no. DCS/AMAL/ST/IP/598/2016-17 dated November 3, 2016 and letter no. NSE/LIST/95822 dated December 2, 2016 respectively.

SEBI Relaxation of Rule 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957

The Securities and Exchange Board of India has given relaxation of Rule 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957 to our Company vide the letter bearing no. CFD/DIL-III/NR/AEA/OW/2016/32282 dated November 28, 2016.



Demat Credit

Our Company has executed Agreements with NSDL and CDSL for admitting its securities in demat form. The ISIN allotted to our Company's Equity Shares is INE759V01019.

Issue and Allotment of share certificates

Our Company has issued and allotted Equity Shares pursuant to the Scheme on September 27, 2016.

All those eligible shareholders who held MIL Equity Shares in dematerialized form, the Equity Shares of the Resulting Company have been credited into their demat account with the Depository Participant in which the Equity Shares of MIL were held. All those eligible shareholders who held MIL Equity Shares of the Demerged Company in physical form, the Resulting Company has issued equity shares in physical form to such eligible shareholder.

Fractional Entitlements

In case any member's shareholding in the Demerged Company is such that such member becomes entitled to a fraction of one Equity Share of the Resulting Company, the Resulting Company shall not issue fractional share certificate to such member and shall consolidate such fractions and issue the consolidated Equity Shares to a trustee nominated by the Board of the Demerged Company in that behalf, who shall sell and distribute the net sale proceeds (after deduction of the expenses incurred) to such members in proportion to their respective fractional entitlements. During consolidation of the fractional entitlements, if the sum of such fractional entitlements is not a whole integer, the Resulting Company shall issue such additional fractional Equity Share to the trustee, such that the total Equity Shares so issued shall be rounded off to the next whole integer. The issue of the fractional share by the Resulting Company to the trustee shall form an integral part of the consideration to be paid under the Scheme and that no separate process as may be applicable under the Act, to that extent, shall be required to be followed by the Resulting Company.

Expert Opinions

Save as stated elsewhere in this Information Memorandum, we have not obtained an expert opinions.

Previous Rights and Public Issues

Our Company has not made any public or rights issue since incorporation.

Commission and Brokerage on previous issues

Since our Company has not issued shares to the public in the past, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Companies under the same management

There are no companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 other than the ones disclosed elsewhere in the Information Memorandum.

Promise vis-a-vis Performance

This is for the first time our Company is getting listed on the Stock Exchange.

Outstanding Debenture or Bonds and Redeemable Preference Shares and Other Instruments Issued by our Company

There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company.

Stock Market Data for Equity Shares of our Company

Equity shares of our Company are not listed on any stock exchanges. Our Company is seeking approval for listing of shares through this Information Memorandum.

Disposal of Investor Grievances

Link Intime (India) Private Limited is the Registrar & Transfer Agents of our Company to accept the documents/requests/complaints from the investors/shareholders of our Company. All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. Our Company has set up service standards for each of the various processors involved such as



registering the transfer/dematerialization of securities/change of address ranging from 5-10 days. Link Intime (India) Private Limited maintains an age-wise analysis of the process to ensure that the standards are duly adhered to.

Mr. Virendra Varma, the Company Secretary and Compliance Officer of our Company is vested with responsibility of addressing the Investor Grievance in coordination with Registrar & Transfer Agents.

Investors can contact the Compliance Officer and/or the Registrar & Transfer Agent for any investor grievances.

Registrar & Transfer Agents
Mr. Ajay Jadhav
Link Intime (India) Pvt. Ltd.
C-13, Pannalal Silk Mills Compound, L. B. S.
Marg, Bhandup (West) Mumbai - 400 078,
Maharashtra, India
Tel: (022) 2596 383B
Fax: (022) 2594 6969
E-mail: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

Compliance Officer
Mr. Virendra Varma,
006-008, Peninsula Centre,
Dr. S.S. Rao Road, Parel,
Mumbai - 400 012, Maharashtra, India
Tel No.: + 91-22-4353 9191;
Fax No.: + 91-22-4353 935B
Email ID: cs@mandhanaretail.com
Investor Designated E-mail ID:
cs@mandhanaretail.com
Website: www.mandhanaretail.com

Change in auditors during last three years

M/s Vishal H. Shah & Associates, Firm Registration Number 116422W was appointed as the first auditor of our Company on February 1B, 2011, there were no changes in the statutory auditor.

POLICIES

Our Company has adopted the following policies, details of which are mentioned hereunder:

1. Policy Pertaining to Related Party Transactions and on dealing with such Transactions and Materiality of such Transactions - *"A transaction with a related party shall be considered material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover."*
2. Vigil Mechanism and Whistle Blower Policy;
3. Policy for Archival and Preservation of Documents;
4. Policy of Determination of Materiality of the Events - *"Information's and events that may impact prices of the company materially shall be promptly made public and generally available and that uniform and universal dissemination of material information shall be followed to avoid selective disclosure. Company shall follow below guidelines for making disclosures of information and events:*
 - A. Deemed Material Events or Information's:
Events specified in Para A of Part A of Schedule III of Listing Regulation are deemed to be material events. The Company shall make disclosure of all deemed material events not later than twenty four hours from the occurrence of event or information or within 30 minutes of the closure of the meeting as prescribed.
 - B. Material Events or Information's based upon criteria of materiality
Events specified in Para B of Part A of Schedule III of the Listing Regulations, shall be disclosed after applying criteria of materiality as specified here in below:
 - a. *the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or*
 - b. *the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;*
 - c. *in case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information is considered material.*



- C. *Company shall also make disclosure of any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.*
- D. *Without prejudice to the generality of A, B and C above, the Company may make disclosures of events or information's as specified by the Board from time to time."*
5. Code of Conduct as Applicable to Directors and Senior Management Personnel;
 6. Nomination and Remuneration Policy;
 7. Corporate Social Responsibility Policy;
 8. Policy for prevention, prohibition and punishment of sexual harassment of women at workplace;
 9. Code of conduct for prevention of insider trading and code of practices and procedures for fair disclosure of unpublished price sensitive information

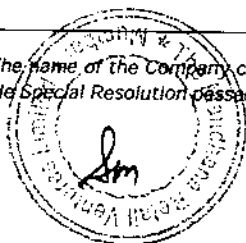
Further, please refer our website "www.mandhanaretail.com" to access full content of the above said policies.



MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Table "F" not to apply but Company to be governed by these Articles	1.		The regulations contained in Table "F" in the First Schedule of the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. The regulations for the management of the Company and for the observance by the Members thereto and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of or addition to its regulations/Articles by resolutions as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.
INTERPRETATION			
Interpretation Clause	2		In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:
The Act		(a)	"The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.
These Articles		(b)	"These Articles" means Articles of Association for the time being in force or as may be altered from time to time.
Auditors		(c)	"Auditors" means those auditors appointed under the Act.
Board		(d)	"Board" means the Board of Directors of the Company or the collective body of Directors of the Company.
Capital		(e)	"Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company.
Chairman		(f)	"The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company.
Charge		(g)	"Charge" includes a mortgage.
Company		(h)	The "Company" shall mean ⁵ THE MANDHANA RETAIL VENTURES LIMITED.
Debenture		(i)	"Debenture" includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
Directors		(j)	"Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.
Dividend		(k)	"Dividend" includes bonus unless otherwise stated.

⁵ The name of the Company changed from "Mandhana Retail Ventures Limited" to "The Mandhana Retail Ventures Limited" - altered vide Special Resolution passed at the Annual General Meeting of the Members held on 7th September, 2016.



Executor or Administrator		(l)	"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 authorising 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.
Gender		(m)	Words importing the masculine gender shall be deemed to include the feminine gender and vice versa.
In writing and written		(n)	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.
Legal Representative		(o)	"Legal Representative" means a person who in law represents the estate of a deceased Member.
Marginal Notes		(p)	The marginal notes hereto shall not affect the construction thereof.
Members		(q)	"Members" means the duly registered holders, from time to time, of the Shares of the Company and includes the subscribers to the Memorandum of the Company.
Board Meeting		(r)	"Board Meeting" means meeting of the Board of Directors.
General Meeting		(s)	"General Meeting" means an Annual General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
Extraordinary General Meeting		(t)	"Extraordinary General Meeting" means an extraordinary General Meeting of the Members duly called and any adjourned holding thereof.
Memorandum		(u)	"Memorandum" means the Memorandum of Association of the Company as originally framed and/or altered from time to time.
Month		(v)	"Month" means a calendar month.
Ordinary Resolution		(y)	"Ordinary Resolution" shall have the meanings assigned to it by Section 114 of the Act
Paid-Up		(z)	"Paid-up" includes capital credited as paid up
Person		(aa)	"Person" shall be deemed to include corporations and firms as well as individuals.
Proxy		(ab)	"Proxy" means an instrument whereby any person is authorized to vote for a Member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.
The Register of Members		(ac)	"The Register of Members" means the Register of Members to be kept pursuant to Section 88 of the Act.
The Registrar		(ad)	"The Registrar" means the Registrar of Companies of the State in which the registered office of the Company is for the time being situated.



Rules		(ae)	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. If the Rules referred to in these Articles are amended, the Articles will be read together with the amended provision (s) and the provision (s) of the amendment (s) shall prevail.
Seal		(af)	"Seal" means the common seal for the time being of the Company.
Shares		(ag)	"Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied.
Special Resolution		(ah)	"Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.
The Statutes		(ai)	"The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
Year		(aj)	"Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act
Singular Number		(ak)	Words importing the Singular number include, where the context admits or requires, the plural number and <i>vice versa</i> .
These presents		(al)	"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
Variation		(am)	"Variation" shall include abrogation; and "vary" shall include abrogate.
Expressions in the Act to bear the same meaning in Articles		(an)	Save as aforesaid, any words and expressions contained in these Articles shall bear the same meanings as in the Act or the relevant Rules thereunder.
	2A		MANDHANA INDUSTRIES LIMITED, a Company incorporated under the Companies Act, 1956, and having its registered office at "Plot No.C-3, M.I.D.C. Tarapur Industrial Area, Boisar, Mumbai - 401506", be entitled by a notice in writing addressed to the Company, call upon the Company to discontinue use of the word "MANDHANA" in any form or manner as part of its corporate or trade name and to change its name in such manner as to delete the word "MANDHANA" appearing therein and the Company shall within six (6) months from the date of receipt of such notice discontinuing the use of the word "MANDHANA" from its Corporate and/or trade name. Any new corporate or trade name which the Company may adopt shall not consist of any word or expression similar to the word "MANDHANA".

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Share Capital (Increase in the Authorised Share Capital approved by the Members of the Company at their Extraordinary General Meeting held on 19 th January, 2015)	3		The Authorised Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs.10/- (Rupees Ten Only) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, with power to increase, consolidate or decrease the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with these Articles and to vary, modify or abrogate any such
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			rights, privileges or conditions in such manner as may for the time being be permitted by the Act or provided by these Articles.
Increase of capital by the Company how carried into effect	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 into 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 Board shall determine, and in particular, such share may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Board shall comply with the provisions of Section 64 of the Act or any such compliance as may be required by the Act or the relevant Rules thereunder.
New Capital same as existing capital	5		Except in so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non-Voting Shares	6		The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as it deems fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7		Subject to the provisions of Section 55 of the Act, the Board shall have the power to issue preference shares which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act and the relevant Rules thereunder.
Voting rights of 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.
Provisions to apply on issue of Redeemable Preference Shares	9		On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:
		(a)	No such Shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purposes of such redemption.
		(b)	No such Shares shall be redeemed unless they are fully paid.
		(c)	The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account, before the Shares are redeemed.



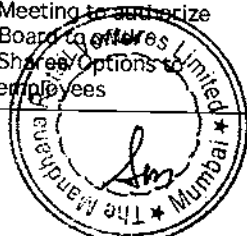
		(d)	Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of 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 66 of the Act apply as if the Capital Redemption Reserve Account were the paid-up share capital of the Company.
		(e)	Subject to the provisions 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.
Reduction of capital	10	(a) (b) (c)	The Company may (subject to the provisions of Sections 52, 55, 66 and other applicable provisions, if any, of the Act), from time to time, by Special Resolution reduce the share capital; any capital redemption reserve account; or any share premium account in any manner for the time being, authorised 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 which the Company would have, if it were omitted.
Purchase of own Shares	11		The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division consolidation and cancellation of Shares	12		Subject to the provisions of Section 61 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.
MODIFICATION OF RIGHTS			
Modification of rights	13		Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified,



			commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.
SHARES, CERTIFICATES AND DEMATERIALISATION			
Restriction on allotment and return of allotment	14		The Board shall observe the restrictions on allotment of Shares to the public in accordance with the Act, and shall cause to be made the returns as to allotment in due compliance with Section 39 of the Act.
Further issue of shares	15	(1)	The Company, duly authorised by the Board, may, in accordance with the Act and the relevant Rules thereunder, issue further shares to - (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
		(2)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the relevant Rules thereunder.
Shares under control of Directors/at the disposal of the Directors	16		Subject to the provisions 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 Board 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 it may, from time to time, think fit. Subject to the provisions of the Act and these Articles, the Board may issue and allot Shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in 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 for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
Power to offer Shares/options to acquire Shares	16A	(i)	Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
		(ii)	In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would <i>inter alia</i> include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of monies for the purposes of such trust, as it deems fit.



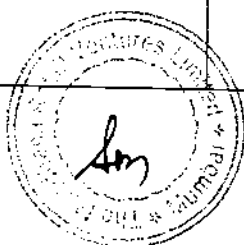
		(iii)	The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds and things as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.
Application of premium received on Shares	17	(1)	Where the Company issues Shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this Article, apply as if the share premium account were paid-up share capital of the Company.
		(2)	The share premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:
		(a)	In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares;
		(b)	In writing off the preliminary expenses of the Company;
		(c)	In writing off the expenses of or the commission paid or discount allowed on, any issue of Shares or debentures of the Company ;
		(d)	In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company;
		(e)	In purchasing its own shares or other specified securities. Provided further that any amount standing to the credit of the Capital Redemption Reserve Account shall be applied only in paying up unissued shares of the Company to be issued to the Members of the Company as fully paid bonus shares. The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
Power also to Company in General Meeting to issue Shares	18		In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or be allotted Shares of any class of the Company either at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A	(i)	Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, give the right to the Board or any Committee



			thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose.
		(ii)	In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article. (i)
Shares at a discount	19		The Company may issue at a discount, Shares in the Company of a class already issued, if the following conditions are fulfilled, namely:
		(a)	The issue of the Shares at discount is authorised by a special resolution passed by the Company;
		(b)	The resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity Shares are to be issued; and
		(c)	Not less than one year has, at the date of such issue, elapsed since the date on which the Company had commenced business.
Installments of Shares to be duly paid	20		If by the conditions of any allotment of any Shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and, from time to time, shall be the registered holder of the Shares or the legal representative of a deceased registered holder.
The Board may issue Shares as fully paid-up	21		Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid-up Shares.
Acceptance of Shares	22		Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall, for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	23		The money, if any, which the Board shall, on the allotment of any Shares being made by it, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by it, shall immediately, on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	24		Every Member or his heirs, executors or administrators shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time



			to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	25	A	Definitions Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository. SEBI "SEBI" means the Securities and Exchange Board of India. Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; Regulations "Regulations" mean the regulations made by SEBI; Security "Security" means such security as may be specified by SEBI.
Dematerialisation of securities		B	Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository		C	Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information, the depository shall enter in its record the name of such person as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form		D	All Securities held by a Depository shall be dematerialised and shall be in a fungible form subject any modification in Act, Rules and Regulations as may be applicable*.
Rights of depositories and beneficial owners		E 1)	Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;
		2)	Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;
		3)	Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.



Depository To Furnish Information		F	Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service of documents		G	Notwithstanding anything in the Act or these Articles to the contrary, where Securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by electronic mode or by delivery of floppies or discs.
Option to opt out in respect of any security		H	If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall, on receipt of information as above, make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions, and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Act not to apply		I (1) (2)	Notwithstanding anything to the contrary contained in these Articles, Section 45 of the Act shall not apply to the Shares held with a Depository; Section 56 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26	(a) (b)	Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	26A		Every Member shall be entitled without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall in such form as the directors may prescribe and approve, provided that in respect of a Share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27		No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, mutilated, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.



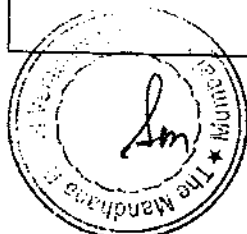
			PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised.
New certificate to be granted on delivery of the old certificates	28		If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then, upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate is lost or destroyed, then, upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations or requirements of any Stock Exchange(s) or the Rules or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall <i>mutatis mutandis</i> apply to Debentures of the Company.
The first named joint holder deemed sole holder	29		If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall, severally as well as jointly, be liable for the payment of all incidents thereof according to these Articles.
Issue of Shares without Voting Rights	30		In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	31		Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or applicable law, the Company, duly authorised by the Board, may purchase its own shares or other specified securities.
Employees Stock Options	32		Subject to the provisions of Section 62 of the Act and other applicable law, the Company, authorized by the Board, shall have the power to issue options to any of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees entitling them to purchase or subscribe at a future date, the securities offered by the Company at a predetermined price in accordance with the terms and conditions of the employees stock option scheme, trust, plan or proposal that may be formulated, created, instituted or set up by the Board or the Committee thereof in that behalf on such terms and conditions as the Board may, in its discretion, deem fit.
Sweat Equity	33		Subject to and in compliance with the provisions of Section 54 of the Act and other applicable law, shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or make available rights in the nature of intellectual property rights or value additions, by whatever name called.

A handwritten signature, possibly 'Sm', is written over a circular official stamp. The stamp contains text that is mostly illegible but appears to include 'DIRECTOR' and 'COMPANY'.

Postal Ballot	34		Where permitted or required by applicable law, the Board may, instead of calling a meeting of Members, seek their assent by postal ballot or e-voting. Such postal ballot or e-voting will comply with the provisions of applicable law. Notwithstanding anything contained in the foregoing, the Company shall transact such business, follow such procedure and ascertain the assent or dissent of Members for a voting conducted by postal ballot in the manner prescribed in Section 110 of the Act and the relevant Rules thereunder. In case of resolutions which are mandatorily required to be passed by way of postal ballot under the Act and the Rules, no meeting needs to be convened at a specified time and place requiring physical presence of Members forming a quorum.
Company not bound to recognize any interest in Shares other than of registered holder	35		Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the Securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security (except otherwise expressly provided by the Articles) or any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.
Declaration by person not holding beneficial interest in any Shares	36	(1) (2) (3) (4)	Notwithstanding anything herein contained, a person whose name is at any time entered in Register of Members of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such form as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act. A person who holds a beneficial interest in a Share or a class of Shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed by the Rules applicable to the Company in this behalf. Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act. Notwithstanding anything contained in the Act and Articles 35 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
UNDERWRITING AND BROKERAGE			
Commission may be paid	37		Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five (5) per cent of the price at which the Shares are issued and in the case of debentures two and half (2.5) per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of



			cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Brokerage	38		The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
DEBENTURES			
Terms of issue of Debentures	39		Any Debentures, debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit. Provided that Debentures with a right to allotment or conversion into Shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, debenture stock, bonds and other Securities may be made assignable free from any equities between the Company and the person to whom it may be issued. Debentures, debenture stock, bonds or other Securities with a right of conversion into or allotment of Shares shall be issued only with such sanctions as may be applicable.
Instrument of transfer	40		Save as provided in Section 56 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures.
			Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.
Delivery of certificates	41		Delivery by the Company of certificates upon allotment or registration of transfer of any Debentures, debenture stock or bond issued by the Company shall be governed and regulated by Section 56 of the Act.
CALLS			
Directors may make calls	42	(a)	Subject to the provisions of Section 49 of the Act, the Board may, from time to time, by a resolution passed at a meeting of a Board, (make such calls as it thinks fit upon the Members in respect of all monies unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.
		(b)	The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
Notice of call when to be given	43		Each Member shall subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
Call deemed to have been made	44		Any sum which may by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and



			expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
Directors may extend time	45		The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.
Amount payable at fixed time or by instalments to be treated as calls	46		If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	47		If any Member fails to pay any call due from him before or 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 ten (10) per cent per annum or at such lower rate, if any, as the Board may determine. Nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.
Proof on trial of suit for money due on Share	48		On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	49		The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the monies due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as, from time to time exceeds the amount of the call then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate (not exceeding, without the sanction of the Company in General Meeting, twelve (12) per cent per annum) as the Member paying such sum in advance and the Board agree upon and permissible under applicable law. Provided that money paid in advance of call shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.
Revocation of Call	50		A call may be revoked or postponed at the discretion of the Board. The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on Debentures of the Company.



LIEN			
Partial payment not to preclude forfeiture	51		Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company to have lien on Shares/ Debentures	52		The Company shall have a first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member whether solely or jointly with others and upon the proceeds of sale thereof, for all monies (whether presently payable or not), called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interests in any Share/ Debenture shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures;
			PROVIDED THAT the Board may, at any time, declare any Share/ Debenture to be wholly or in part exempt from the provisions of this Article. 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.
As to enforcing lien by sale	53	(a)	The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:- Unless a sum in respect of which the lien exists is presently payable; or
		(b)	Until the expiration of fourteen (14) days after a notice in writing of the intention to sell shall have been served on such Member or his administrator or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen (14) days after such notice
Application of proceeds of sale	54	(a)	The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and
		(b)	The residue if any, after adjusting costs and expenses if any incurred shall be paid to the persons entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).
FORFEITURE OF SHARES			
If money payable on Shares not paid notice to be given	55		If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.



Sum payable on allotment to be deemed a call	56		For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	57		The notice shall name a day, (not being less than fourteen (14) days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen (18) per cent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	58		If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	59		When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	60		Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board shall think fit.
Member still liable for money owing at the time of forfeiture and interest	61		Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen (18) per cent per annum as the Board may determine and the Board may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	62		The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	63		The Board may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	64	(a)	A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
		(b)	The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a



			transfer of the Share in favour of the person to whom the Share is sold or disposed off.
		(c)	The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
		(d)	Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.
		(e)	Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	65		<i>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</i>
Cancellation of shares certificates in respect of forfeited Shares	66		<i>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</i>
Evidence of forfeiture	67		<i>The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</i>
Validity of sale	68		<i>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.</i>
Surrender of Shares	69		<i>The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.</i>
TRANSFER AND TRANSMISSION OF SHARES			
No transfers to minors etc.	70		<i>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.</i>



Form of transfer	71		<i>The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being as may be applicable to the Company shall be duly complied with in respect of all transfer of shares and registration thereof.</i>
Application for transfer	72	(a)	An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee.
		(b)	Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice
		(c)	For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	73		The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Act and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	74		A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	75		The Board shall have power on giving not less than seven (7) days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty (30) days at a time, and not exceeding in the aggregate forty five (45) days at a time, and not exceeding in the aggregate forty five (45) days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	76		<i>Subject to the provisions of Section 56, these Articles and other applicable provisions of the Act or applicable law, the Board may refuse, whether in pursuance of any power of the company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within a period of thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.</i> <i>Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account, whatsoever, except where the Company has a lien on the Shares.</i>
Death of one or more joint holders of Shares	77		In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having



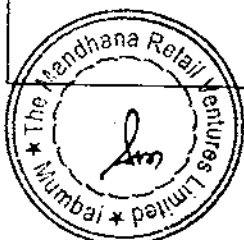
			any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Title of Shares of deceased Member	78		The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Section 72 of the Act.
Notice of application when to be given	79		Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	80		Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	81		Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	82		A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the Share.
No fees on transfer or transmissions	83		No fee shall be charged for registration of transfer, transmission Probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar documents.
Transfer to be presented with evidence of title	84		Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument

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			of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	85		The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, although it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
SHARE WARRANTS			
Power to issue share warrants	86		Pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Act and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and / or any other authorities or institutions as may be relevant and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, equity share and / or instruments or securities representing equity share, any such instruments or securities being either with or without detachable warrants attached thereto entitling the warrant holder to equity share or instruments or securities representing equity share to be subscribed to in foreign currency or currencies by foreign investors, whether individuals and / or bodies corporate and / or institutions and whether the Members of the Company or not for an amount, inclusive of such premium as may be determined by the Board. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by applicable law.
Deposit of share warrants	87	(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 (2) 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.
Privileges and disabilities of the holders of share warrant	88	(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.
Issue of new share warrant coupons	89		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 of the warrants.
CONVERSION OF SHARES INTO STOCK AND RECONVERSION			
Share may be converted into stock	90		The Company may, by Ordinary Resolution: Convert any fully paid-up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	91		The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum amount shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	92		The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	93		Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.
BORROWING POWERS			
Power to borrow	94		Subject to the provisions of Sections 73 to 76, 179, 180 of the Act and these Articles, the Board may, from time to time, at its discretion by a resolution passed at a Board Meeting, accept deposits, raise or borrow, either from the directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company, by a resolution of the Board, or where a power to delegate the same is available, by a resolution of such delegatee, provided that the Board shall not, without the requisite consent of the Company by a special resolution, borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves.
The payment or repayment of moneys borrowed	95		The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular in pursuance of a resolution passed at a Board meeting by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its uncalled capital for the time being and the debentures and the debenture



			stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	96		Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Terms of issue of Debentures	97		Any debenture, 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 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 General Meeting by a Special Resolution.
Mortgage of uncalled capital	98		If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
MEETING OF MEMBERS			
Annual General Meeting	99		The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. An Annual General Meeting of the Company shall be held within six (6) months, from the date of closing of each financial year, provided that not more than fifteen (15) months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, on a day that is not a national holiday, and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situate.
Report statement and registers to be laid before the Annual General Meeting	100		The Company shall in every Annual General Meeting, in addition to any other Report or Statement, lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extraordinary General Meeting	101		All General Meeting other than Annual General Meeting shall be called Extraordinary General Meeting.
Extraordinary General Meeting by Board and by requisition	102	(a)	The Board may, whenever it thinks fit, convene an Extraordinary General Meeting and it shall do so by a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital, as at that date carried the right of voting in regard to the matter in respect of which the requisition has been made.



Requisition of Members to state object of Meeting On receipt of requisition, Directors to call Meetings and in default, Requisitionist may do so		(b) Any meeting called under the foregoing Article by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board. (c) Any valid requisition so made by a Member or Members must state the objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like forms, each signed by one or more requisitionists. (d) Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty one (21) days from the date of the requisition being deposited at the office cause a meeting to be called on a day not later than forty-five (45) days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 100 (2) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three (3) months from the date of the delivery of the requisition as aforesaid.
Contents of requisition, and number of requisitionists required and the conduct of Meeting	103	In case of requisition the following provisions shall have effect: (a) The requisition shall set out the matters for the consideration of which the Meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the Company. (b) If the Board does not, within twenty-one (21) days from the date of receipt of a valid requisition in regard to any matter, proceed to call a Meeting for the consideration of that matter on a day not later than forty-five (45) days from the date of receipt of such requisition, the Meeting may be called and held by the requisitionists themselves within a period of three (3) months from the date of the requisition.
Length of notice of Meeting	1D4	(1) A General Meeting of the Company may be called by giving not less than clear twenty-one (21) days' notice in writing by speed post or registered post or through electronic mode. (2) A General Meeting may be called after giving a shorter notice than that specified in clause (1) hereof, if consent is given in writing or by electronic mode by not less than ninety-five (95) per cent of the Members entitled to vote at such meeting.
Contents and manner of service of notice	105	(1) Every notice of a Meeting of the Company shall specify the place, date, day and the hour of the Meeting and shall contain a statement of the business to be transacted thereat. (2) Subject to the provisions of the Act notice of every General Meeting shall be given to-
		(a) to every Member of the Company, legal representative of any deceased member or the assignee of an insolvent member; (b) the auditor or auditors of the Company; and (c) every director of the Company.
Special and ordinary business and explanatory statement	106	(1) (a) In the case of an Annual General Meeting, all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to (i) the consideration of financial statements and the reports of the Board and Auditors;



		(ii)	the declaration of any dividend;
		(iii)	the appointment of Directors in the place of those retiring; and
		(iv)	the appointment of, and the fixing of the remuneration of, the Auditors, and
		(b)	In the case of any other meeting, all business shall be deemed to be special.
			PROVIDED THAT where any item of special business to be transacted at a Meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every Promoter, Director, Manager, if any, and of every other Key Managerial Personnel of the first-mentioned company shall, if the extent of such shareholding is not less than two (2) percent of the paid up-share capital of that company, also be set out in the statement
		(2)	Where any item of business refers to any document, which is to be considered at the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
Omission to give notice not to invalidate proceedings	107		The accidental omission to give any such notice as aforesaid to any of the Members or non-receipt thereof shall not invalidate any resolution passed at any such Meeting.
MEETING OF MEMBERS			
Notice of business to be given	108		No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	109		No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
If quorum not present when Meeting to be dissolved and when to be adjourned	110		If within half-an-hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or the meeting, if called by the requisitionists under section 100, shall stand cancelled. If at the adjournment meeting also, a quorum is not present within half-an-hour from the time appointed for holding the Meeting, the Members present shall be the quorum.
Resolution passed at adjourned Meeting	111		Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	112		At every General Meeting the Chair shall be taken by the Chairman of the Board. If at any Meeting, the Chairman of the Board is not present within fifteen (15) minutes after the time appointed for holding the Meeting or is unwilling to act as Chairman of the Meeting, the Directors shall elect one of their Members to be Chairman of the Meeting.
Act for resolution sufficiently done or passed by Ordinary	113	(A)	Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by



Resolution unless otherwise required.			an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	114		No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	115	(a)	The Chairman may with the consent of the 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 (30) days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting.
		(d)	Save as aforesaid and save as provided in the Act, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	116		Subject to the provisions of e-voting in the Act, Rules and Regulations thereto, every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless a poll is ordered to be taken by the Chairman of the Meeting of his own motion or is demanded by any other Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than Rs. 50,000/- has been paid-up and unless a poll is so ordered or demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
Chairman's declaration of result of voting on show of hands	117		A declaration by the Chairman of the Meeting that, on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	118		Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	119		A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight (48) hours from the time when the demand was made, as the Chairman of the Meeting may

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			direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	120		In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	121	(a)	Where an e-voting/poll is to be taken, the Chairman of the Meeting shall appoint such number of persons, as he deems necessary to scrutinise the poll process and votes given vide e-voting/on the poll and to report thereon to him.
		(b)	The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	122		The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	123		Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company at least fourteen (14) days before the date of the Meeting at which the resolution is to be moved, exclusive of the day on which the notice is given and the day of the Meeting. The Company shall immediately after receipt of the notice, give its Members notice of the resolution at least seven (7) days before the Meeting, exclusive of the day on which notice is given and the day of the meeting.

VOTES OF MEMBERS

Member paying money in advance not to be entitled to vote in respect thereof	124		Members 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 monies so paid by him until the same would, but for such payment, become presently payable. The provisions of this Article shall <i>mutatis mutandis</i> apply to the calls on Debenture or other Securities of the Company.
Restriction on exercise of voting rights of Members who have not paid calls	125		No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member is entitled	126		Subject to the provisions of Article 124, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person have one vote; and on a poll, have voting rights in proportion to his share in the paid-up equity share capital of the Company. A Member may exercise his vote at a meeting by electronic mode in accordance with Section 108 of the Act and shall vote only once. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in of sub-section (2) of Section 47) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the



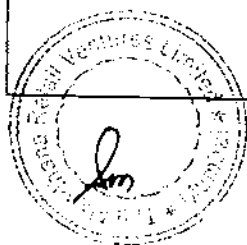
			Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	127		A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, on a poll or by Electronic Mode, by his legal guardian, and any such guardian may, on a poll, vote by proxy.
Votes of joint Members	128		If there be joint registered holders of any Shares, any one of two or more joint holders may vote at any Meeting either personally or by attorney or by proxy in respect of such Shares, as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney, then that one of such persons so present whose name stands first or higher, as the case may be, on the Register of Members shall alone be entitled to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose sole name any Share stands, shall for the purpose of these Articles, be deemed joint holders thereof. The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other Securities including debentures of the Company registered in joint names.
Representation of body corporate	129	(a)	A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy and by postal ballot) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.
		(b)	Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Votes in respect of deceased or insolvent Members	130		Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight (48) hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.



Voting in person or by proxy	131	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act.
Rights of Members to use votes differently	132	On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Proxies	133	Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	134	An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	135	No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	136	The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarised copy of that Power of Attorney or authority, shall be deposited at the registered office of the Company at least forty-eight (48) hours before the time for holding the Meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty - four (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.
Form of Proxy	137	An instrument appointing a proxy shall be in the form prescribed in the Rules.
Validity of votes given by proxy notwithstanding revocation of authority	138	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of any Power of Attorney under which such proxy was executed, or the transfer of the Share in respect of which the vote is given: Provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at its registered office before the commencement of the Meeting or adjourned Meeting at which the proxy is used.
Time for objection to vote	139	No objection shall be made to the qualification of any Member with regard to his votes except at the Meeting or adjourned Meeting at which the vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive.
Chairman of any Meeting to be the	140	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote



Judge of Validity of any value			tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	141		If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.
DIRECTORS			
Number of Directors	142		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 shall not be less than three and not more than fifteen.
First Directors	143		The Present Directors as on 16 th August, 2016 are:- 1. MR. PRIYAVRAT P. MANDHANA 2. MRS. SANGEETA M. MANDHANA 3. MR. SACHIN S. JAJU
Debenture Directors	144		Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	145	(a)	Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to Industrial Finance Corporation of India (IFCI), ICICI Ltd. (ICICI), The Industrial Development Bank of India (IDBI) or any other financing company or body out of any loans granted or to be granted by them to the Company or so long as IFCI, ICICI, IDBI or any other financing corporation or credit corporation or any other financing company or body (each of which IFCI, ICICI, IDBI or any other financing corporation or credit corporation or any other financing company or body is hereinafter in this Article referred to as "The Corporation") continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint, from time to time, any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.
		(b)	The Board shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further, the Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and



			privileges and be subject to the obligations as any other Director of the Company.
		(c)	The Nominee Director(s) so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the monies owing by the Company to the Corporation being paid off
		(d)	The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
		(e)	The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, monies or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, monies and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.. Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a Whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation(s) nominated by him.
Special Director	145A		In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaboration" to appoint, from time to time, any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter. The collaborators may, at any time, and, from time to time, remove any such special director appointed by it and may, at the time of such removal, and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a director under this Article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.



Limit on number of retaining Directors	146		The provisions of Articles 144, 145, 145A and 146 are subject to the provisions of Section 152 of the Act and number of such Directors appointed under Article 145 and 145A shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	147	(a)	Subject to the provisions of Section 161 (2) of the Act, the Board may appoint any person to act as an Alternate Director for a Director (hereinafter in this Article called "the Original Director") to act during the latter's absence for a period of not less than three (3) months from India. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director 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 provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
		(b)	For the purpose of absence from Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.
Directors may fill in vacancies	148		Subject to the provisions of Section 152 (7), 161 (4) and 169 (7) of the Act, the Board shall have power at any time and, from time to time, to appoint any other qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board at a Board Meeting. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	149		The Directors shall have the power at any time and, from time to time, to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	150		A Director need not hold any qualification shares.
Directors' sitting fees, remuneration and expenses	151	(a)	The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall, from time to time, determine.
		(b)	Each Director who is neither a Managing Director nor a Whole-time Director of the Company shall be entitled to receive out of the funds of the Company a fee, as may be determined by the Board within the overall ceiling laid down in the Act, for each Board Meeting or Committee of the Board attended by him. Fee shall also be payable for participating in meetings through permissible Electronic Mode.
		(c)	The Directors (other than a Managing Director, a whole-time Director, a Director not resident in India and an Alternate Director appointed under Article 147) shall also be entitled to receive a commission (to be divided

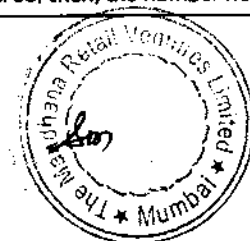
		between them in such manner as the Board may, from time to time, determine and in default of such determination, equally) of such amount as may be determined by the Board but not exceeding one (1) per cent of the net profits of the Company computed in the manner as prescribed under the Act or such higher amount as may be permitted subject to such approval as may be prescribed. (d) All other remuneration, if any, payable by the Company to each Director, whether in respect of his services as a Managing Director or a Director in the whole or part-time employment of the Company shall be determined in accordance with and subject to the provisions of these Articles and the Act. (e) The Directors shall also be entitled to be paid their reasonable travelling, hotel and other expenses incurred in attending and returning from meetings of the Board or any Committee thereof or General Meetings of the Company or otherwise incurred in the execution of their duties as Director. (f) Where the Company takes a Directors' and Officers' Liability Insurance, specifically pertaining to a particular Director and / or officer, then the premium paid in respect of such insurance, for the period during which a Director and / or officer has been proved guilty, will be treated as part of remuneration paid to such Director and / or officer.
Extra remuneration to Directors for special work	152	Subject to the provisions of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
Traveling expenses incurred by Directors on Company's business	153	The Board may, subject to the limitations provided by the Act, allow and pay to any Director who attends a Board Meeting or meeting of any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	154	The continuing Director or Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the quorum fixed by these Articles for a Board Meeting, the continuing Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.



Conditions under which Directors may contract with Company	155		A Director or any related party as defined in Section 2 (76) of the Act may enter into any contract with the Company for the sale, purchase or supply of any goods or materials; selling or otherwise disposing of, or buying, property of any kind; leasing of property of any kind; availing or rendering of any services; appointment of any agent for purchase or sale of goods, materials, services or property; such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and underwriting the subscription of any securities or derivatives thereof, of the Company, subject to sanctions as required by the Act or Rules.
			Unless so required by the Act or Rules, no sanction shall, however, be necessary for any contracts with a related party entered into by the Company in its ordinary course of business and on an arm's length basis.
Disclosure to the Members of Directors interest in contract appointing Managers, Managing Director or Whole-time Director	156	(a) (b)	When the Company:- (a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Act shall be complied with.
Disclosure of Director's interest	157		A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a Board Meeting in the manner provided in Section 184 (2) of the Act, provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director holds or hold less than two (2) per cent of the shareholding in such other body corporate.
Discussion and voting by interested Director	158		Subject to the provisions of Section 184 of the Act, no Director shall take part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at any time of any such discussion or vote; and if he does vote, his vote shall be void.
General notice of disclosure	159		Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a Board Meeting in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two (2) per cent of the shareholding in such other body corporate.
Directors and Managing Director may contract with Company	160		Subject to the provisions of the Act, the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a Member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any



			profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by the Act and the Rules.
Vacation of office by Directors	161	i. on the happening of any of the events as specified in Section 167 of the Act. ii. if a person is a Director of more than the number of Companies as specified in the Act at a time; iii. in the case of Alternate Director, on return of the Original Director in terms of Section 161 of the Act; iv. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company; v. if he is removed in pursuance of Section 169 of the Act; and vi. any other disqualification that the Act for the time being in force may prescribe.	The office of a Director shall <i>ipso facto</i> be vacated:-
Removal of Directors	162		Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of the Act.
Director may be director of companies promoted by the Company	163		A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197(13) or Section 188 of the Act may be applicable.
Director may be director of companies promoted by the Company	163		A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197(13) or Section 188 of the Act may be applicable.
Appointment of Sole Selling Agents	164	(a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 188 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable. (b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 188 of the Act.	
ROTATION AND APPOINTMENT OF DIRECTORS			
Rotation of Directors	165		Not less than two-thirds of the total number of Directors, excluding Independent Directors, will be persons whose period of the office is liable to determination by retirement by rotation.
Retirement of Directors	166		Subject to the provisions of Articles 146 and 148, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	167		Subject to the provisions of Section 152 of the Act and Articles 148 to 151, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three nor a multiple of three, then, the number nearest



			to one-third, shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	168	(a)	The Board shall have the right, from time to time, to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons, from time to time, without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any Board Meeting.
		(b)	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 regulations in the Articles of the Company, be filled by the Board at the Board Meeting and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	169		Subject to Section 152 (6) (d) of the Act, the Directors retiring by rotation under Article 171 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves be determined by the lot.
Eligibility for re-election	170		A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	171		Subject to Section 152 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	172	(a)	If the place of retiring Director is not so filled-up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
		(b)	If at the adjourned Meeting also, the vacancy of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:
		(i)	at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.
		(ii)	the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so re-appointed.
		(iii)	he is not qualified or is disqualified for appointment.
		(iv)	a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or
		(v)	the provision of section 162 of the Act is applicable to the case.



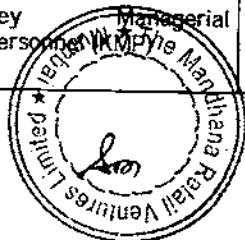
Company may increase or reduce the number of Directors or remove any Director	173		Subject to the provisions of Section 149, 151 and 169 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	174	(a)	No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being cast against it.
		(b)	A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken when it was moved.
		(c)	For the purposes of this Article, a motion for approving a person for appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Register of Directors and Key Managerial Personnel and their shareholding	176		The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel which shall include details of Securities held by each of them in the Company, its holding, subsidiary, subsidiary of Company's holding company or associate companies in accordance with Section 170 of the Act and the relevant Rules thereunder..
Votes of Body Corporate	177		A body corporate, whether a company within the meaning of the Act or not, if it is a Member of the Company may, by resolution of its Board or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of Members of the company and the persons so authorized shall be entitled to exercise the same rights and powers (including the right to vote by proxy and by postal ballot / e-voting) on behalf of the body corporate which he represents as that body could exercise as if it were as individual Member, creditor or holder of debentures of the Company.

MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

Board may appoint Managing Director (s) / Whole-time Director (s)	178	(a)	Subject to the provisions of the Act and these Articles, the Board shall have the power to appoint, from time to time, any of its Member or Members to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles, the Board may, by resolution, vest in such Managing Director(s) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.
			Subject to the provisions of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.
		(b)	The Board may, from time to time, appoint one or more Directors to be Managing Director or Directors / Whole-time Director or Directors of the Company, for a fixed term, subject to Article 178(a) for which he or they is or are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
Remuneration of Managing Director or Whole-time Director	179		Subject to the provisions of the Act, a Managing Director or Whole-time Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such



			additional remuneration as may, from time to time, be sanctioned by the Company.
Special position of Managing Director	180		Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, <i>ipso facto</i> and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director or Whole-time Director	181		Subject to the provisions of the Act and in particular Section 179 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such powers for such time, and to be exercised for such objects and purpose, and upon such terms and conditions, and with such restrictions as the Board may think fit, and it may confer such powers, either collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the Board in that behalf; and may from time to time, revoke, withdraw, alter or vary all or any of such powers. The Managing Director shall not exercise any powers under Section 179 of the Act except such powers which can be delegated to him under the Act and specifically delegated by a resolution of the Board.
	182		The Company's General Meeting may also, from time to time, appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.
	183		Receipts signed by the Managing Director for any monies, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such monies shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.
	184		The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular, from time to time, by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	185		Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may, from time to time, be agreed between him and the Directors of the Company.
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER			
Key Personnel	Managerial	186	Subject to the provisions of the Act,



		(a)	A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed at a Board meeting for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed by means of a resolution of the Board.
		(b)	A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer subject to the provisions of Section 203 of the Act. The Board may also designate the head of the financial function as the Chief Financial Officer of the Company.
		(c)	The functions of a Company Secretary shall be in accordance with Section 205 of the Act.
		(d)	Subject to the foregoing Article, the powers conferred on the chief executive officer shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit, and it may confer such powers either collaterally with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
		(e)	The Chief Executive Officer shall not exercise any powers under Section 179 of the Act except such powers which can be delegated under the Act by a resolution of the Board.
		(f)	Subject to the provisions of the Act and other applicable laws, an individual who is Managing Director or Chief Executive Officer of the Company may be appointed or re-appointed as Chairman of the Company at the same time.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors	187	(a)	The Directors may meet together as a Board, from time to time, for the conduct and dispatch of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit. At least four such Meetings shall be held in every year in such a manner that not more than one hundred and twenty (120) days shall intervene between two consecutive Board meetings. The Directors may adjourn and otherwise regulate their Meetings as they think fit.
		(b)	A Board Meeting shall be called by giving not less than seven (7) days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. The Board may call a meeting at shorter notice to transact urgent business subject to the conditions of the Act.
		(c)	The notice of the meeting shall inform the Directors regarding the option available with them to participate through Electronic Mode, if applicable, and shall provide all the necessary information to enable the Directors to participate through Electronic Mode.
		(d)	Every Director present at any Board Meeting or meeting of a Committee thereof shall sign his name in an attendance sheet to be kept for the purpose. The names of Directors who have participated in Board meetings through Electronic Mode shall be entered and initialed by the Company Secretary, stating the manner in which the Director so participated.
Director may summon meeting	188		A Director may, at any time, and the Manager or Secretary on the requisition of a director shall, at any time, summon a Board Meeting. Subject to the provisions of Section 173 (2) of the Act, the Directors may participate in meetings of the Board through Electronic Mode without their physical presence as the Board may, from time to time, decide and the Directors shall be allowed to participate from multiple locations through modern communication equipment.



Meetings of the Board by video or audio-visual conferencing	189	(a)	The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board Meetings through Electronic Mode, as the case may be, in accordance to the provisions of Section 173(2) of the Act. In case of a place other than such places where Company makes arrangements as above, the Chairman may decline the right of a Director to participate through Electronic Mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairman so permits a Director to participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairman, may be reimbursed by the Company.
Regulation for meeting through Electronic Mode	190	(b)	Subject as aforesaid, the conduct of the Board Meeting where a Director participates through Electronic Mode shall be in the manner as laid down in the Act.
		(c)	The rules and regulations for the conduct of the meetings of the Board, including matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act, shall apply to meetings conducted through Electronic Mode, as the case may be.
		(d)	Upon the discussions being held by Electronic Mode, as the case may be, the Chairman or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
		(e)	Subject to provisions of Section 173 of the Act, a Director may participate in and vote at a Board Meeting by means of Electronic Mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a Board Meeting by any of the means above, the Company shall ensure that such Director is provided with a copy of all the documents referred to during such Board Meeting prior to the commencement of the Board Meeting.
Quorum	191	(a)	The quorum for a Board Meeting shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen (15) minutes from the time appointed for holding a Board Meeting, it shall be adjourned until such date and time as the Chairman of the Board shall decide.
		(b)	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 Board Meeting, 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 and for no other purpose.
		(c)	A Board Meeting at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 (1) of the Act, the powers of the Company.
Procedure when Meeting adjourned for want of quorum	192		If a Board Meeting could not be held for want of quorum, then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

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Chairman of Meeting	193	(a)	The Board may elect a Chairman and Vice-Chairman of the meeting and determine the period for which he is to hold office.
		(b)	If at any Board Meeting, the Chairman is not present within five (5) minutes after the time appointed for holding the same, the Vice-Chairman shall be the Chairman of such meeting.
		(c)	If no such Vice-Chairman is elected or if at any Board Meeting, both the Chairman and Vice – Chairman are not present within five (5) minutes after the time appointed for holding the same, the Directors present shall choose someone of their number to be the Chairman of such meeting.
Question at Board meeting how decided	194		Subject to the provisions of the Act, questions arising at any Board Meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	195		A Board Meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 (1) of the Act, the powers of the Company.
Directors may appoint Committee	196	(a)	The Board may, subject to the provisions of the Act, from time to time, and at any time, delegate any of its powers to such Committee or Committees consisting of such director or directors as it thinks fit and may, from time to time, revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
		(b)	Any committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Board.
Meeting of the Committee how to be governed	197		The meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.
Circular resolution	198		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the Members of the Board or of a Committee thereof, for the time being entitled to receive notice of a Board Meeting or Committee, shall be valid and effective as if it had been passed at a Board Meeting or meeting of a Committee thereof, duly convened and held.
Acts of Board or Committee valid notwithstanding defect in appointment	199		All acts done in any Board Meeting or in a meeting of a Committee thereof or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a director.
POWERS OF THE BOARD			
General powers of management vested in the Board of Directors	200	(a)	Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and



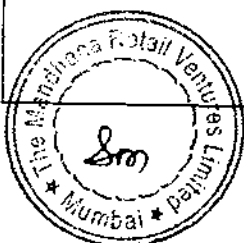
			to do all such acts and things as the Company is authorized to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company, or by these Articles, or otherwise, to be exercised or done by the Company in General Meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting; but no regulations 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. (b) Where any sum of money is payable by a Director, the Board may allow such time for payment of the said money as is acceptable within customary periods for payment of similar money in contemporaneous commercial practice. Grant of such period for payment shall not be deemed to be a "loan" or grant of time for the purpose of Section 180 (1) (d) of the Act. (c) The Board may subject to Section 186 of the Act and provisions of the Act and the Rules shall by means of unanimous resolution passed at a Board Meeting, from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.
Restriction on powers of Board	201	(a)	The Board should exercise the following powers subject to the approval of Company by a Special Resolution namely: sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertakings; (b) remit, or give time for the repayment of, any debt due from a Director, (c) invest otherwise than in trust securities the amount of compensation received by it as a result of any merger or amalgamation; and (d) borrow monies, where the monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.;
Certain powers to be exercised by the Directors	202	(i) (ii) (iii) (iv)	Without prejudice to the general powers conferred by Section 179(3) of the Act or Rules made thereunder, as applicable, and the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles, it is hereby declared that the Directors shall have the following powers; that is to say, power : (i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company; (ii) To pay any or interest lawfully payable there out under the provisions of the Act; (iii) To act jointly and severally in all on any of the powers conferred on them; (iv) To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association of which it is a Member;



		(v)	Subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
		(vi)	Subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in shares, bonds, debentures, mortgages, or other securities of the Company, and such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
		(vii)	To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
		(viii)	To accept from any Member, as far as may be permissible by law, a surrender of his Share or any part thereof, on such terms and conditions as shall be agreed;
		(ix)	To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
		(x)	To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company;
		(xi)	To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same;
		(xii)	To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;
		(xiii)	To make and give receipts, releases and other discharges for monies payable to the Company and for the claims and demands of the Company;
		(xiv)	Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any monies of the Company not immediately required for the purpose thereof upon such security (not being Share of this Company), or without security and in such manner as they think fit, and, from time to time, to vary the size of such investments.
		(xv)	Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name; To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
		(xvi)	Subject to applicable provisions of the Act and the relevant Rules thereunder, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively;
		(xvii)	Subject to Section 179 and 180 of the Act from time to time, and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or monies, and to authorise the Members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
		(xviii)	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,



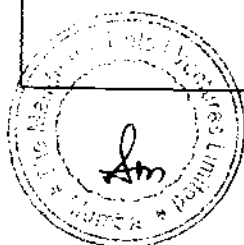
Contribution to charitable and other funds	203	(xix)	authorities and discretion and subject to such conditions as the Board may, from time to time, think fit; and Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. The Board may contribute to bona fide charitable and other funds as permitted by the Act.
MANAGEMENT			
Prohibition of simultaneous appointment of different categories of managerial personnel	204	(a) (b)	The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :- (a) Managing Director and (b) Manager.
MINUTES			
Minutes to be made	205	(1) (2) (a)	The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every Board Meeting or meeting of every Committee thereof and every resolution passed by postal ballot to be kept in such form by making within thirty (30) days of the conclusion of every such meeting concerned or passing of resolution by postal ballot, entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
		(b)	in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty (30) days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceedings	206	(a) (b) (c)	Any such minutes shall be conclusive evidence of the proceedings recorded therein. (b) The books containing the minutes of the General Meetings shall be kept at the registered office of the Company and be open, to the inspection by any Member without charge during 11.00 am to 1.00 pm on all working days other than Saturdays. (c) Any Member shall be entitled to be furnished within seven (7) working days after he has made a request in that behalf to the Company, with a copy of any minutes of any general meeting on payment of a sum not exceeding Rs.10/- for each page or part of any page.
Books of minutes of General Meeting to be kept			
Presumptions	207		Where the minutes of the proceedings of any General Meeting of the Company or of Board Meeting or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place, and in



			particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.
SEAL			
The Seal, its custody and use	208	(a)	The Board may provide a Common Seal for the purpose of the Company and shall have power, from time to time, to destroy the same and substitute a new seal in lieu thereof.
		(b)	Common Seal for use outside India The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it.
		(c)	Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.
		(d)	Affixing of Seal on deeds and instruments' On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.
		(e)	Affixing of Seal on Share Certificates Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are authorised, from time to time, to sign the Share Certificates in accordance with the Rules as applicable to the Company in this behalf.
		(f)	Removal of Common Seal outside the office premises The Board may authorize any person or persons to carry the Common Seal to any place outside the registered office inside or outside for affixture and for return to safe custody to the registered office.
DIVIDENDS AND CAPITALISATION OF RESERVES			
Division of profits	209	(a)	Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;
		(b)	No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	210		The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	211		The Dividend can be declared and paid only out of the following profits:



			i. Profits of the financial year, after providing depreciation as stated in Section 123(2) read with Schedule II of the Act. ii. Accumulated profits of the earlier years, after providing for depreciation u/s 123(2) read with Schedule II of the Act and iii. Out of money provided by Central or State Government for payment of dividend in pursuance of a guarantee given by the Government. iv. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123(2) of the Act.
Interim dividend	212		Subject to the provisions of Section 123 of the Act, the Board may, from time to time, pay to the Members such interim dividend as appears to it to be justified by the profits of the Company.
Dividend to be kept in abeyance	213		The Board may retain the Dividend payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Share and in accordance with sub-section (5) of Section 123 of the Act. The Board may also retain Dividend in relation to Shares on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.
Capital paid-up in advance as interest not to earn dividend	214		Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	215		All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	216		No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	217		A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Receipt in case of jointholders	218		Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	219		The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by



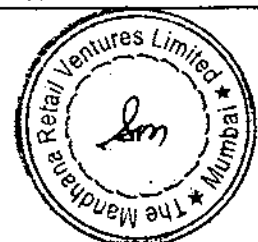
			forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	220		Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	221	(a)	The Directors may, before recommending or declaring any dividend, set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may, from time to time, think fit.
		(b)	Such reserve, being free reserve, may also be used to recommend or declare Dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
Dividend to be paid within time required by law.	222		Any Dividend, interest or other monies payable in cash in respect of Share may be paid by any Electronic Mode to the shareholder entitled to the payment of the Dividend, or by way of 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
Unclaimed dividend	223	(a)	Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven (7) days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".
		(b)	Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.
		(c)	No unclaimed or unpaid dividend shall be forfeited by the Board.
Set-off of calls against dividends	224		Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	225		No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid-up bonus



			<i>Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</i>
Capitalisation	226	(a)	Any General Meeting may resolve that any monies, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or reserves, or any Capital Redemption Reserve Account, or in the hands of Company and available for Dividend or representing premiums received on the issue of Shares and standing to the credit of the Securities Premium Account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of Dividend and in the same proportions on the footing that they become entitled thereto as Capital and that all or any part of such capitalised fund may be applied on behalf of such shareholders in paying up in full any unissued Shares of the Company to be allotted, distributed and credited as fully paid up to and amongst such Members in the proportion aforesaid, any amount for the time being unpaid on Shares held by such Members or paying up in full, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Securities Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, be applied in the paying up of unissued Share to be issued to Members of the Company as fully paid up bonus Share.
Surplus Money		(b)	A General Meeting may resolve that any surplus monies arising from the realization of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the Members on the footing that they receive the same as Capital.
Fractional certificates	227		The Board shall have full power
		(a)	to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions;
		(b)	to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares;
		(c)	Any agreement made under such authority shall be effective and binding on all such Members.
ACCOUNTS			
Books to be kept	228	(1)	The Company shall keep at its registered office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:
		(a)	all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place
		(b)	all sales and purchases of goods by the Company
		(c)	the assets and liabilities of the Company and
		(d)	the items of cost as may be prescribed under Section 148 of the Act.



		(2)	Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made up to date at intervals of not more than three (3) months, are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's books of account are kept, as aforesaid.
Inspection by Directors	229		The books of account and other books and papers maintained by the Company within India shall be open for inspection at the registered office of the Company or at such other place in India by any Director during business hours, and in the case of financial information, if any, maintained outside India, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as prescribed under the Act. Provided that the books of account shall also be open to inspection by the Registrar or by any officer of Government authorised by the Central Government in this behalf if in the opinion of the Registrar or such officer sufficient cause exists for the inspection of the books of account.
Inspection by Members	230	(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.
Financial statement	231		At every Annual General Meeting the Board shall lay before such meeting financial statements prepared in accordance with the provisions of Section 129 of the Act.
Boards' Report	232		There shall be attached to every financial statement laid before the Company in General Meeting, a report by the Board complying with Section 134 and other applicable provisions of the Act.
Copies to be sent to Members and others	233		A copy of every financial statements (including consolidated financial statements, if any, the Auditor's Report and every other document required by law to be annexed or attached to the financial statements) shall, as provided by Section 136 of the Act, not less than twenty-one (21) days before the meeting, be sent to every Member, to every trustee for the holders of any debentures and other person to whom the same is required to be sent by the said Section and as specified in the Act. The Company shall comply with Section 137 of the Act as to filing copies of the financial statements along with all the other documents required to be annexed or attached thereto, duly adopted at the Annual General Meeting, with the Registrar.
Copies of Financial Statement etc., to be filed	234		
Accounts to be audited	235		Once at least in every year the accounts of the Company shall be examined by one or more Auditor or Auditors.
Appointment of Auditors	236	(1)	Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and the Rules. Secretarial Auditor shall be appointed by



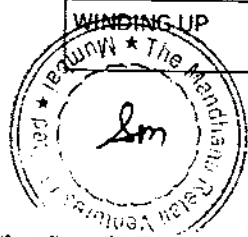
			the Board in such manner as it may determine, and their rights and duties regulated in accordance with Sections 204 of the Act.
Statutory Auditors	237	(2)	The remuneration of the Statutory Auditors and Cost Auditors shall be determined by the Company in Annual General Meeting or in such manner as the Company in General Meeting may determine. The remuneration of a Secretarial Auditor shall be decided by the Board in such manner as it may be deem appropriate.
Audit of accounts of branch office of Company	238		Subject to the provisions of Section 139 of the Act and Rules, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years, subject to ratification by Members at every Annual General Meeting. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act.
Right of Auditor to attend General Meeting	239		Where the Company has a branch office the provisions of Section 143(8) of the Act shall apply.
Auditor's Report to be read	240		All notices of, and other communication relating to any General Meeting of the Company which any Member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	241		The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.
DOCUMENTS AND NOTICES			
To whom documents must be served or given	242	(i)	Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three (3) months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.
		(ii)	A document or notice may be served or given by the Company on any Member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any Electronic Mode, as prescribed in Section 20 of the Act.
			Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight (48) hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.



Notice to Members who have not supplied address	243		A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears to every Member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him. Any Member who has no registered address in India, shall if so required to do by the Company, supply the Company with address in India for giving of notices to him.
Notice to joint holders	244		A document or notice may be served by the Company on the joint holders of a Share by serving it on the joint holder named first in the Register of Members in respect of the Share.
Notice to be served to representative in case of transmission etc.	245		A document or notice may be served or given by the Company on or to the persons entitled to a Share in consequence of the death or insolvency of a Member by sending it through post in a prepaid letter addressed to him or to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
Service of notice of General Meeting	246		Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to:
Members bound by documents or notices served on or given to previous holders	247	(a)	every Member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member; every Director of the Company; and the Auditor(s) for the time being of the Company.
		(b)	Any accidental omission to give notice to, or the non-receipt of such notice by, any Member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
		(c)	Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	248		A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by post under a certificate of posting or by registered post or by leaving it at its registered office.
Authentication of documents and proceedings	249		Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.
REGISTERS AND DOCUMENTS			
Registers and documents to be maintained by the Company	250	(a)	The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
		(b)	Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
		(c)	Register of mortgages and charges as required by Section 85 of the Act and copies of instruments creating any charge requiring registration according to Section 85 of the Act.



		(c)	Register and index of Members and debenture-holders as required by Section 88 of the Act.
		(d)	Foreign register, if so thought fit, as required by Section 88 of the Act.
		(e)	Register of contracts with companies and firms in which Directors are interested as required by Section 184 of the Act.
		(f)	Register of Directors and Key Managerial Personnel as required by Section 170 of the Act.
		(g)	Register as to holdings by Directors and Key Managerial Personnel of Shares and/or Debentures in the Company as required by Section 170 of the Act.
		(h)	Register of loans, guarantee, security and acquisition made by the Company as required by Section 186 (9) of the Act.
		(i)	Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act.
		(j)	Register of loans, guarantee, security and acquisition made by the Company as required by Section 186 (9) of the Act.
Inspection of Registers	251	(a)	The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting. The Register of Members, Debenture-holders and Security holders and copies of the annual return shall be open for inspection during 11.00 am to 1.00 pm on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.
		(b)	Copies of the Register of Members, Debenture-holders and Security holders and copies of the annual return shall be furnished to any member, debenture-holder, other security holder or beneficial owner of the Company on payment of a fee not exceeding Rs. 50/- and such copy shall be supplied within a period of seven (7) days from the date of deposit of fee to the Company.
		(c)	Extracts from the register of loans, guarantee, security and acquisition made by the Company may be furnished to any Member of the Company on payment of a fee not exceeding Rs. 10/- for each page.
		(d)	Extracts from the Register of loans, guarantee, security and acquisition made by the Company may be furnished to any Member of the Company on his request, within seven (7) days from the date on which such request is made upon the payment of fee not exceeding Rs. 10/- per page.
		(e)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i> , as is applicable to the register of members.



Distribution of assets	252		If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	253	(a)	If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
		(b)	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 class of Members.
		(c)	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.
Right of shareholders in case of sale	254		A Special Resolution sanctioning a sale to any other Company duly passed pursuant to the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	255		Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done by him in his capacity as such Director, Manager, Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
Director, officer not responsible for acts of others	256		Subject as aforesaid, every Director, Managing Director, Manager, or other officer of the Company shall be indemnified against any liability incurred for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage, or misfortune



			whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.
SECRECY CLAUSE			
Secrecy Clause	257		Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No. Member to enter the premises of the Company without permission	258		No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.
GENERAL POWER			
General Power	259		Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.



SECTION VIII - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Information Memorandum) which are or may be deemed material have been entered or to be entered into by our Company.

Copies of the following documents will be available for inspection at the Registered Office of our Company on business hours with prior intimation, for a period of seven days from the date of this Information Memorandum.

MATERIAL CONTRACTS AND DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended till date.
2. Certification of incorporation of our Company dated February 12, 2011 and Certificate for Commencement of the business dated April 9, 2011.
3. Fresh certificate of incorporation dated September 26, 2016 subsequent to change in the name.
4. Copy of the Fairness Report provided dated November 22, 2014.
5. Copy of the resolution passed by the Board of directors dated November 22, 2014 approving the scheme.
6. Copy of the complaints report of Demerged Company dated June 10, 2015.
7. Letter under Clause 24(f) of Old Listing Agreement dated September 11, 2015 of BSE, and NSE dated September 14, 2015 approving the Scheme.
8. Order dated March 29, 2016 of the Honorable High Court of Judicature at Mumbai approving the Scheme of Arrangement, received on March 30, 2016.
9. Audited financial Statements and Report of our Company for the past five financial years.
10. Statement of Tax Benefit dated September 24, 2016 from M/s Vishal H. Shah & Associates, Chartered Accountants.
11. An auditors' certificate stating that the accounting treatment contained in the scheme is in compliance with all the Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 read with the rules framed thereunder or the Accounting Standards issued by ICAI, as applicable, and other generally accepted accounting principles dated January 19, 2015.
12. Tripartite Agreement with National Securities Depository Ltd., RTA and our Company.
13. Tripartite Agreement with Central Depository Services (India) Ltd., RTA and our Company.
14. SEBI's letter bearing No. CFD/DIL-III/NR/AEA/OW/2016/32282 dated November 28, 2016 granting relaxation of Rule 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 and CIR/CFD/CMD/16/2015 dated November 30, 2015 for the purpose of listing of the shares of The Mandhana Retail Ventures Limited.
15. BSE letter no. DCS/AMAL/ST/IP/598/2016-17 dated November 3, 2016 granting in-principle approval for listing.
16. NSE letter no. NSE/LIST/95822 dated December 2, 2016 granting in-principle approval for listing.

Note: Any of the contracts or documents mentioned in the Information Memorandum may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

To the best of knowledge and belief of the Board of Directors of our Company, all statements made in this Information Memorandum are true and correct.

For and on behalf of the Board of Directors of
The Mandhana Retail Ventures Limited

Sangeeta N. Mandhana

Sangeeta N. Mandhana
Managing Director



Place: Mumbai

Dated: December 5, 2016