



**INSCRIBE GRAPHICS LIMITED**  
CIN: U92100TN2009PLC070565

Our Company was incorporated as Inscribe Graphics Private Limited on January 27, 2009 in the State of Tamil Nadu. Subsequently, the name of the company was changed to Inscribe Graphics Limited pursuant to conversion into a Public Limited Company vide Certificate of Incorporation dated November 16, 2017 issued by the Registrar of Companies, in the State of Tamil Nadu.

**Registered Office:** 174, Developed Plots, Industrial Estate, Perungudi, Chennai-600 096  
**Telefax No.:** +91 44 4206 1015; **E-Mail ID:** compliance@inscribegraphics.com; **Website:** www.inscribegraphics.com  
**Contact Person:** G. Someswara Rao, Company Secretary and Compliance Officer

**PROMOTERS: MR. R. PRAKASH, MR. A. OMER SHERIFF AND MS. VIMLA THOMAS**

<b>THE ISSUE</b>
<p><b>PUBLIC ISSUE OF 25,26,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FULLY PAID UP OF INSCRIBE GRAPHICS LIMITED ("INSCRIBE" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[·] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING SHARE PREMIUM OF ₹[·] PER EQUITY SHARE) AGGREGATING UPTO ₹[·] LAKHS (THE "ISSUE"). OUT OF THIS, UPTO 1,86,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR CASH AT A PRICE OF ₹[·] PER EQUITY SHARE, AGGREGATING UPTO ₹[·] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 23,40,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR CASH AT A PRICE OF ₹[·] PER EQUITY SHARE AGGREGATING UPTO ₹[·] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.03% AND 25.04% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.</b></p>
<p><b>THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE ISSUE PRICE IS ₹[·]. THE ISSUE PRICE IS [·] AND [·] TIMES THE FACE VALUE AT THE LOWER PRICE BAND AND UPPER PRICE BAND RESPECTIVELY.</b></p>
<p><b>THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE \ ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [·], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [·] AND IN THE REGIONAL NEWSPAPER [·], EACH WITH WIDE CIRCULATION, AT LEAST FIVE (5) WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.</b></p>
<p>In case of any revisions in the Price Band, the Bid/Offer Period will be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the BRLM.</p>
<p><b>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED) FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE INFORMATION" BEGINNING ON PAGE 181 OF THIS DRAFT RED HERRING PROSPECTUS.</b></p>
<p>In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to section titled "Issue Procedure" beginning on page 188 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus and Prospectus will be delivered for registration to the Registrar of Companies as required under Section 32 of the Companies Act, 2013.</p>
<p style="text-align: center;"><b>RISK IN RELATION TO THE FIRST ISSUE</b></p>
<p>This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Issue Price is [·] times of the face value. The Issue Price (as determined and justified by the Company and the Book Running Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 66 of this Draft Red Herring Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>
<p style="text-align: center;"><b>GENERAL RISKS</b></p>
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 13 of this Draft Red Herring Draft Red Herring Prospectus.</p>
<p style="text-align: center;"><b>COMPANY'S ABSOLUTE RESPONSIBILITY</b></p>
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>
<p style="text-align: center;"><b>LISTING</b></p>
<p>The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the NSE EMERGE Platform. Our Company has received an in-principle approval letter dated [·] from NSE for using its name in this offer document for listing of our Equity Shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. ("NSE").</p>

<b>BOOK RUNNING LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>MARK CORPORATE ADVISORS PRIVATE LIMITED</b> CIN:U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai-400 057. <b>Contact Person:</b> Mr. Manish Gaur/Mr. Shobhit Agrawal <b>Tel. No.:</b> +91 22 2612 3207/08 <b>E-Mail ID:</b> smeipo@markcorporateadvisors.com <b>Investor Grievance E-Mail ID:</b> investor@grievance@markcorporateadvisors.com <b>SEBI Regn No.:</b> INM000012128</p>	 <p><b>CAMEO CORPORATE SERVICES LIMITED</b> CIN: U67120TN1998PLC041613 Subramanian Building, 1, Club House Road Chennai-600 002 <b>Contact Person:</b> Mr. R. D. Ramasamy <b>Tel No.:</b> +91 44 2846 0390 <b>E-Mail ID:</b> cameo@cameoindia.com <b>Investor Grievance E-Mail ID:</b> investor1@cameoindia.com <b>SEBI Regn No.:</b> INR000003753</p>

<b>ISSUE PROGRAMME</b>	
ISSUE OPENS ON: [·]	ISSUE CLOSES ON: [·]

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## SECTION-I GENERAL INFORMATION

### DEFINITIONS AND ABBREVIATIONS

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

The words and expression used in this Draft Red Herring Prospectus, but not defined herein, shall have the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, SCRA, the Depositories Act and the rules and regulations made thereunder as the case may be. Notwithstanding the foregoing, the terms not defined but used in the sections titled "*Statement of Tax Benefits*"; "*Financial Statements*"; "*Outstanding Litigation and Material Developments*"; and "*Main Provisions of Articles of Association*" beginning on pages 68, 128, 156 and 227 respectively, shall have the meanings ascribed to such terms in these respective sections.

#### Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The articles of association of our Company, as amended from time to Time
Auditor or Statutory Auditor	The Auditor of the Company being Ramraj & Co. Chartered Accountants, having their office at Plot No. 70, Dr. Gurunath Street, Panneer Nagar, Mogappair, Chennai 600 037, Tamil Nadu
Bankers to our Company	ICICI Bank Limited and Axis Bank Limited
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	Mr. G. Someswara Rao
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of ₹10/- each
Equity Shareholders	Persons holding equity shares of our Company
Group Companies	Inscribe BPO Private Limited
“Inscribe Graphics Limited”, or “INSCRIBE”, or “IGL” or “the Company”, or “our Company” or “we”, “us”, or “our” and the Issuer Company”.	Inscribe Graphics Limited, a private limited company incorporated under the provisions of the Companies Act, 1956 and converted into public limited company on November 16, 2017
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
“Promoters” or “our Promoters”	Promoters of our company being Mr. R. Prakash, Mr. A. Omer Sheriff and Ms. Vimla Thomas
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “Our Promoter and Promoter Group” beginning on page 120 of this Draft Red Herring Prospectus.
Registered Office	174, Developed Plots Industrial Estate, Perungudi, Chennai-600 096
RoC	Registrar of Companies, Chennai, Tamil Nadu

#### Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid
Allocation/Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to

Term	Description
	Fresh Issue of the Equity Shares to the successful Bidders
Allottee(s)	Successful bidders to whom Equity Shares of our Company shall have been allotted
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Bid amount
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs viz., Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat
ASBA Investor/ ASBA Bidders	Any prospective investor(s)/bidder(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [•].
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 188 of this Draft Red Herring Prospectus
Bidders	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form to subscribe for or purchase our Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under SEBI ICDR Regulations
Bid Amount	The highest value of the optional Bids as indicated in the Bid-cum-Application Form and payable by the Bidder upon submission of the Bid in this Issue
Bid Cum Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Draft Red Herring Prospectus
Bid Lot	3,000 Equity Shares
Bid/ Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids for the Issue, which shall be published by our Company in [•] edition of [•] (a widely circulated English national newspaper) and [•] editions of [•] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located
Bid/Issue Closing Date	The date on which the Designated Intermediaries shall not accept Bids for the Issue, which shall be published by our Company in [•] edition of [•] (a widely circulated English national newspaper) and [•] editions of [•] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located)
Bid/Issue Period	The period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process/ Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is being made
Broker Centers	Broker centers notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange on the following link:- <a href="http://www.nseindia.com/Markets/PublicIssues/brokerCenters">http://www.nseindia.com/Markets/PublicIssues/brokerCenters</a>
Book Running Lead Manager/BRLM	Book Running Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, SEBI Registered Merchant Banker
Cap Price	The higher end of the Price Band, in this case being [•] per Equity Share above which the Issue Price will not be finalized and above which no Bids will be

Term	Description
	accepted
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful bidders indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Bidders with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Bidders and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidder can submit the Bid cum Application Forms to Collecting Depository Participants The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Bidders
Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number
Draft Red Herring Prospectus	The Draft Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Emerge Platform of NSE	The Emerge Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on [•]
Escrow Agreement	Agreement entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Bidders through the SCSBs Bank Account on the Designated Date in the Public Issue Account
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India

Term	Description
First/Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the Circular (CIR/CFD/DIL/12/2013) dated 23rd October, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 25,26,000 Equity Shares of face value of ₹10 each fully paid of Inscribe Graphics Limited for cash at a price of ₹[•] per Equity Share (including a premium of ₹[•] per Equity Share) aggregating ₹[•] Lakhs
Issue Opening Date	The date on which Issue opens for subscription
Issue Closing Date	The date on which Issue closes for subscription
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹[•] per Equity Share of face value of ₹10 each fully paid
Issue Proceeds/ Gross Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹[•] Lacs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE
Market Making Agreement	Market Making Agreement dated [•] between our Company, BRLM and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being [•], who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,86,000 Equity Shares of face value of ₹10/-each fully paid for cash at an issue price of ₹[•] per Equity Share aggregating ₹[•] Lacs to be subscribed by the Market Maker
MoU/Issue Agreement	The Memorandum of Understanding dated January 16, 2018 between our Company and Book Running Lead Manager
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 23,40,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[•] Equity Share aggregating ₹[•] Lacs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 60 of this Draft Red Herring Prospectus
Non-Institutional Investors	All Bidders that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2,00,000
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity

Term	Description
	or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price band of a minimum price (Floor Price) of ₹[•] and the maximum price (Cap Price) of ₹[•] and includes revisions thereof. The Price Band for the Issue will be decided by our Company in consultation with the BRLM and the Minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised in [•] edition of [•] (a widely circulated English national newspaper) and [•] editions of [•] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located), at least five Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their website
Pricing Date	The date on which our Company in consultation with the BRLM, finalizes the Issue Price
Draft Red Herring Prospectus	The Draft Red Herring Prospectus, to be filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013
Public Issue Account Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Bid amounts
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [•] by our Company to receive monies from SCSBs from the bank accounts of the ASBA Bidders on the Designated Date
Qualified institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 Lacs, pension fund with minimum corpus of ₹2,500 Lacs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which monies to be refunded to the Bidders shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur
Registrar and Share Transfer Agents /Registrar to the Issue	Registrar to the Issue, in this case being Cameo Corporate Services Limited having registered office at Subramanian Building, 1, Club House Road, Chennai-600 002
Retail Individual Investors	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Bidders, who apply for an amount less than or equal to ₹2,00,000
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares in any of their Bid cum Application Forms or any previous Revision Form(s)
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Specified Locations	Bidding Centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Sub-Syndicate Members	A SEBI registered member of NSE appointed by the BRLM, and/ or the Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate Agreement	The agreement dated [•] entered into among the BRLM, the Syndicate

Term	Description
	Members, Registrar of the Issue and our Company in relation to the collection of Bids in this Issue
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being [•]
Syndicate or Members of the Syndicate	Collectively, the BRLM and the Syndicate Members
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Bidder, as proof of registration of the Application
Underwriters	Mark Corporate Advisors Private Limited, [•]
Underwriting Agreement	The agreement dated [•] entered into between the Underwriter and our Company
Working Day	Unless the context otherwise requires: Working Days shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

### Technical and Industry Terms

Term	Description
Graphic Designing	Graphic designing is the process of visual communication and problem-solving using one or more of typography, photography and illustration. The field is considered a subset of visual communication
2D Animation	2D animation creates movement in a two-dimensional artistic space. 2D animation focuses on creating characters, storyboards, and backgrounds in two-dimensional environments and the figures can move up and down, left, and right. They do not appear to move toward or away from the viewer, as they would in 3D animation
3D animation	Animating objects that appear in a three-dimensional space. They can be rotated and moved like real objects
VFX	Visual Effects (abbreviated VFX) is the processes by which imagery is created or manipulated outside the context of a live action shot in film making

### Conventional and General Terms/Abbreviations

Term	Description
A/C	Account
Act	The Companies Act, 2013
AGM	Annual General Meeting
Articles	Articles of Association of the Company framed in pursuance of this Act
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B.Com	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 2013
CSO	Central Statistical Organisation
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time

Term	Description
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y.	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "Our Management" beginning on page 109 of this Draft Red Herring Prospectus
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding
MNC	Multinational corporation

Term	Description
N/A or NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written-off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth
₹/ INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	NSE
Sq.	Square

Term	Description
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the following:

- 1) In this section titled “*Main Provisions of the Articles of Association*” beginning on page 228 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- 2) In the section titled “*Financial Statements*” beginning on page 128 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- 3) In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 68 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

### *Certain Conventions*

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

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

### *Financial Data*

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 128 of this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "Financial Statements" beginning on page 128 of this Draft Red Herring Prospectus.

### *Currency of Presentation*

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

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

### *Industry & Market Data*

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, neither we nor the Book Running Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the industry and market data used in this Draft Red Herring Prospectus is meaningful depends on the reader's formality with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors*” beginning on page 13 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI (ICDR) Regulations, we have included in the section titled “Basis for Issue Price” beginning on page 66 of this Draft Red Herring Prospectus, information pertaining to peer group entities in our company. Such information has been derived from publicly available data of the peer companies.

## FORWARD-LOOKING STATEMENTS

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

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

- Fluctuations in operating costs;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in IT Enabled Services Industry;
- Factors affecting IT Enabled Services Industry;
- Our ability to successfully implement our growth strategy and expansion plans;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our Capital Expenditure & Working Capital Expenditure Requirements;
- Our ability to attract and retain qualified personnel;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in Political and Social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in Government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 13 and 149 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

## SECTION II-RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk and you should carefully consider all information disclosed in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. Unless specified or quantified in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Restated Financial Statements of our Company for six months period ended September 30, 2017 and the Fiscals 2013, 2014, 2015, 2016 and 2017 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of the Draft Red Herring Prospectus, including the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and section titled "Financial Information" beginning on pages 88, 149 and 128 respectively of this Draft Red Herring Prospectus, together with all other financial information contained in the Draft Red Herring Prospectus.*

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

- 1. Some risks may not be material individually but may be material when considered collectively.*
- 2. Some risks may have material impact qualitatively instead of quantitatively.*
- 3. Some risks may not be material at present but may have a material impact in the future.*

**1. *We are a Company with limited operating history, and therefore investors may not be able to assess our prospects on the basis of historical results.***

We were incorporated as a private limited company in January 2009. As we do not have significant operating and financial history, it may be difficult to evaluate our current or future prospects on the basis of historical results. Our past performance should not be construed as an indication of our future performance. For details regarding the business and financial information, please refer to the chapters titled "Our Business" and "Financial Information of the Company" beginning on pages 88 and 128 respectively of this Draft Red Herring Prospectus. Given our limited operating history in the business in which we operate, there will be only limited information which evaluates the business and our current or future prospects on which to base the investment decision. However, our Promoters combined industry experience of more than 50 years. If we are unsuccessful in addressing business risks in time or at all, our business may be materially

and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company. For our business to succeed, amongst other things, we must successfully undertake the following activities:

- implement and successfully execute our business strategies;
- continue to develop our services; and
- respond to competitive developments.

There can be no assurance that we will be successful in undertaking such activities in time or at all. Our failure to successfully undertake one or more of the activities described above could materially adversely affect our business, prospects, financial condition and results of operations. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares. For further details in this regard, please refer to the chapters titled "Our History and Certain Other Corporate Matters", "Our Promoters and Promoter Group" and "Management Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 106, 120, 149 respectively of this Draft Red Herring Prospectus.

**2. *Our Company is promoted by first generation entrepreneurs in our current business.***

Our Promoters are first generation entrepreneur in our current business. Their experience in managing and being instrumental in the growth of our Company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth.

**3. *Our Company does not have any listed peer companies for comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.***

As of the date of this Draft Red Herring Prospectus, there are no companies which are involved in the business similar to our business, which are listed on the Indian stock exchanges and accordingly, we are not in a position to provide comparative analysis of our performance with any listed company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.

**4. *Our Registered Office is not owned by us. The same is occupied by us on a lease basis. Disruption of our rights as lessee or termination of the agreements with our lessor would adversely impact our operations and, consequently, our business.***

Our Registered Office from where we operate since the date of inception of our Company, is not owned by us. Our Company has been occupying the Registered Office on lease basis through a lease deed dated October 14, 2012 entered into by our Company with Lambda Elcot Limited for a period of 8 years commencing from November 1, 2012 and ending on November 1, 2020. We cannot assure that our Company will be able to successfully renew the said lease agreement on expiry of the lease period. Further, we cannot assure that we will not face any disruption in respect of our rights as a lessee and that such lease agreement will not be terminated prematurely by the lessee. Any such non-renewal or early termination or any disruption of our rights as lessee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations.

**5. *If we are unable to renew our existing leases agreements for our offices on commercially suitable terms, or if we fail to comply with any of the terms and conditions of these lease/leave license agreement resulting in termination of such leases agreement, it could have a material adverse effect on our business, revenue and profitability.***

Our Registered Office Unit I, Unit II and Unit III are occupied by us on lease basis. Our total area of operation comprises of 15,530 sq. ft. entirely occupied on a leasehold basis. For details of existing leases/leave license agreements for our offices, please refer to the chapter titled "*Our Business*" beginning on page 88 of this Draft Red Herring Prospectus. In the event that these existing leases/leave license agreements are terminated or they are not renewed on commercially acceptable terms, we may have to face certain

interruptions in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, revenue and profitability may be adversely affected.

**6. *Our business is substantially dependent on our key customers from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.***

We derive a significant portion of our revenues from a limited number of customers. For the year ended March 31, 2017 our top 5 customers cumulatively accounted for approximately 57.00% of our total revenue from operations as per the Restated Financial Statements. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such customers may be caused mainly because of competition and technological advancements. There may be factors other than our performance, which may not be predictable, which could cause loss of customers. Further, any significant reduction in demand for our services from our key customers, any requirement to lower the price offered by these customers, or any loss or financial difficulties caused to these customers, change in relationship with the customers could have a material adverse effect on our business, result of operations, financial condition and cash flow. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**7. *Our Company caters to overseas markets only.***

Our Company, so far, has been catering to the overseas markets only. It started with offering services to clients in USA and later on expanded into countries like UK, Norway, Hong Kong, Australia, Canada, Singapore and Bangladesh. Any loss of these overseas customers may affect our business, financial condition and result of operations.

**8. *Our revenues could be significantly affected if the governments in countries in which our customers are based, restrict companies from outsourcing work to non-domestic corporations.***

Any downturn or reversal of existing industry trends toward offshore outsourcing might be a deterrent to compete effectively. Measures aimed at limiting or restricting offshore outsourcing have been enacted in a few countries and there is currently legislation pending in several countries. The measures that have been enacted to date generally have restricted the ability of government entities to outsource work to offshore business process service providers. Though, we have not been significantly adversely affected by aforementioned restrictions, however, pending or future legislation in other countries could significantly affect our business. For further details for business of our Company, please refer to the chapter titled "*Our Business*" beginning on page 88 of this Draft Red Herring Prospectus.

**9. *Our business growth is subject to our anticipating and developing new services and enhances existing services in order to keep pace with rapid changes in technology and the industries on which we focus.***

The graphic design services market is characterised by rapid technological changes, evolving industry standards, changing client preferences, and new product and service introductions that could result in product obsolescence and short product life cycles. Our future success will depend on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet client needs, in each case, in a timely manner. In addition, our success also depends on our ability to proactively manage our portfolio of technology alliances.

Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. Accepting unforeseen business opportunities may also result in a business model change. We cannot guarantee that any adjustment in our future plans will become successful or be more successful than our current business model. A shift in our plans may result in the use of other technologies. Other technologies may in the future prove to be more efficient and/or economical to us than our current technologies. We cannot guarantee that any change in technology will become successful or be more successful than our current technology. For further details for business of our Company, please refer to the chapter titled "*Our Business*" beginning on page 88 of this Draft Red Herring Prospectus.

**10. *We are subject to risks associated with presence into overseas markets and our future expansion.***

Our presence and clientele essentially into markets overseas and our strategy to continue to expand overseas, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in having clients predominantly in overseas markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new markets, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;
- differing domestic and foreign customs, tariffs and taxes;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

Our Company has recently incorporated a Wholly Owned Subsidiary (WOS) in USA for operational and administrative reasons and also for achieving tax efficiency. The WOS in USA was set up in the month of October 2017 and now the WOS procures orders from the clients and interacts with them, instead of the USA branch with execution continues to be done by the Head Office at Chennai. For further details, please refer to chapter titled "*Our Business*" beginning on page 88 of this Draft Red Prospectus. By expanding into new markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

**11. *Failure to successfully implement our business strategies may materially and adversely affect our business, prospects, financial condition and results of operations.***

We aim to implement our business strategies to ensure future business growth, which may be subject to various risks and uncertainties, including but not limited to the following:

- failure to maintain our competitive edge due to failure to execute our assignments in a timely manner or according to specifications;
- intensified competition, delayed payments or non-payments by our clients;
- failure to implement our bidding strategy or geographically cluster our projects;
- inability to make an efficient use of or improve our execution system or fail to maintain or operate our equipment bank and IT systems in an effective and efficient manner;
- lack of ability to properly manage financing resources and unavailability of funds at affordable costs or maintain financial discipline;
- adverse changes in applicable laws, regulations or policies or political or business environments in the geographies where we operate;
- inability to diversify across different geographies;
- lack of ability to recruit or retain skilled employees; and
- increases in costs of manpower costs and software.

Implementation of our strategies may be subject to a number of risks and uncertainties including the ones mentioned above, some of which are beyond our control. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or at all, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation.

Any failure or delay in the implementation of any of our strategies may have a material adverse effect on our business, prospects, financial condition and results of operations.

**12. *New products and services developed by us may not be profitable by themselves.***

Our growth depends on our ability to innovate by offering new, and adding value to our existing, graphic design and artwork service offerings. The Company will continue to make significant investments in research, development, and marketing for new products, services, and technologies in these areas. Commercial success depends on many factors, including innovativeness, customer support, and effective distribution and marketing. If customers do not perceive our latest offerings as providing significant new functionality or other value, they may not purchase our services which would unfavourably impact our revenue.

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

Misconduct or errors by employees engaged by us could expose us to business risks or losses, penalties and serious harm to our business. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. We have a workforce deployed in our Registered Office and other units. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us in our Registered Office and other offices at different locations include, among others, possible claims relating to:

- failure of employees engaged by us to adequately perform their assignments or absenteeism;
- errors or malicious acts or violation of security and privacy rules and regulations; and
- Our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services;

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and affect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, our business, financial condition, results of operations and prospects. For further details of our employees, please refer to the chapter titled "Our Business" beginning on page 88 of this Draft Red Herring Prospectus.

**14. *Our Company has forayed into 2D and 3D animation segment for the first time.***

During the current financial year 2017-18, the company has forayed into the animation segment. It has started with 2D animation projects and would also be considering 3D animation projects in the coming months. At present the 2D animation segment executes work in the television segment and in due course works from movie and other segments would also be taken up. Being a recently started division, the contribution of this division to the overall turnover and profits of the company is marginal. We may be unsuccessful in competing against present and future competitors in the animation segment. Additionally, we have no experience or operating history in this segment and this may involve exposure to risks that we are not familiar with or may be able to assess. It may require capital and other resources, as well as management attention, which could place a burden on our resources and abilities.

**15. *Our Company, Directors and our Promoters are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

There are certain legal proceedings by or against our Company, Promoters and Directors. There is no assurance that in future, our Company, our Promoters or our Directors may not face legal proceedings; any adverse decision in such future legal proceedings may impact our business. For further details in relation to

legal proceedings involving our Company, Promoters and Directors, please refer to the chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 156 of this Draft Red Herring Prospectus.

**16. *Our consolidated revenues are dependent upon our meeting specific customer requirements largely on a case-to-case basis. Any failure or limitation on our ability to provide services may detrimentally affect our future growth.***

Our assignments largely involve us in providing services for promotional products, fashion apparel, retail, professional sports, collegiate licensing, corporate uniforms, licensed team sports, sporting goods, graduation products, cheerleading, printing, manufacturing and embroidery markets. Our inability to provide services to these segments could lead to erosion of our market image and brand value, which could lead to customers discontinuing their work with us and stagnation of our customer base, which in turn could harm our business and consolidated profitability. Our Company's future growth will depend on our continued evolution of specific sets of services to deal with the rapidly evolving and diverse needs of our customers in a cost competitive and effective manner.

**17. *We operate in a highly competitive industry, which could limit our ability to grow.***

Graphics Designing, especially for sports apparels is still a niche market in India and there are only fewer players in the market. Affinity Express India Private Limited, Nittany Creative Solutions Private Limited, Esales Technologies Private Limited and Shawk India Private Limited are some of the companies in similar lines of business. However, these companies could be carrying out some other activities also apart from Graphic Designing. As far as Animation activities are concerned, the company has to compete with a number of players in India. Due to heavy competition, there is always a pressure on the margins. As graphic designers, providing a wide range of services to our clients, we compete with a range of organized and unorganized competitors, depending on the nature and location of services provided. Such competitors collectively compete with the majority of our services. The market for graphic designing and artwork service providers is highly competitive with few organized players and localised smaller unorganised players. Our competitors may be willing and able to develop and provide service offerings faster or at a lower price than us. Our competitors also may affect our business by entering into exclusive arrangements with existing or potential clients. Growing competition may result in a decline in our market share and force us to reduce our margins and revenues. There can be no assurance that we will be able to compete successfully against such competitors or that we will not lose our key employees or clients to such competitors. Additionally, we believe that our ability to compete also depends in part on factors outside our control, such as the availability of skilled resources, the price at which our competitors offer comparable services, and the extent of our competitors' responsiveness to their clients' needs. If we are unable to remain sufficiently competitive, or are unable to keep pace with them, our business and operating results will be adversely affected. For further details, refer paragraph on "*Competition*" under the chapter titled "*Our Business*" beginning on page 88 of this Draft Red Herring Prospectus.

**18. *Significant security breaches in our computer systems and network infrastructure and fraud could adversely impact our business.***

We seek to protect all the computer systems and network infrastructure in our offices from physical break-ins as well as security breaches and other disruptive problems. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. To address these issues and to minimise the risk of security breaches we employ security systems, including firewalls and intrusion detection systems, conduct periodic penetration testing for identification and assessment of potential vulnerabilities and, use encryption technology for transmitting and storing critical data such as passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. A significant failure in security measures could have an adverse effect on our business.

**19. *Our Company does not have any long term agreements with their clients and is subject to uncertainties in demand for our services.***

We do not have any long term agreements with our clients and such agreements are typically terminable by our clients without cause on a short notice period. As a result, our clients can terminate their relationship with us due to circumstances beyond our control, such as more competitive option offered by our competitors which could materially and adversely impact our business. We believe that we have satisfactory business relations with our clients and have received continued business from them in the past but there is no certainty that the same will continue in the future, which could materially affect our business, results of operations and financial condition.

**20. *Lack of effective Clients relationship management affects our business growth.***

The growth of our business depends on our management of clients, our cost competitiveness in the graphic design and development industry and cost reduction. In order to achieve future growth, we need to manage our new clients and resources effectively and efficiently. Our company has to concentrate on access to new markets, attract new customers, obtain sufficient financing, optimize input costs, maintain sufficient operational and financial controls and make additional capital investments to take advantage of anticipated market conditions and keep on learning and inventing on technology. Any lacuna towards attracting new clients might effect growth rate of our business. For further details for business of our Company, please refer to the chapter titled "*Our Business*" beginning on page 88 of this Draft Red Herring Prospectus.

**21. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect the Company's business, operations and financial performance.***

The business, operations and financial performance of the Company could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to it and to its business. The governmental and regulatory bodies in India may notify new regulations and/or policies, which may require the Company to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements and conditions on its operations, in addition to those which the Company is undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on the Company's business, financial condition and results of its operations.

The Government of India has made two major reforms in Indian tax laws, namely the provisions relating to General Anti-Avoidance Rules ("GAAR") and the Goods and Services Tax ("GST"). As regards GAAR, the provisions were introduced in the Finance Act, 2012 and have come into effect from April 1, 2017. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which includes any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The Government of India has implemented a comprehensive national GST regime with effect from July 1, 2017 that combines taxes and levies by the Central and State Governments into a unified rate structure. Hence, GST has replaced the indirect taxes on goods and services, such as central excise duty, service tax, customs duty (excluding basic customs duty), central sales tax, state VAT, entertainment tax, luxury tax, purchase tax and surcharge currently being collected by the Central and State Governments. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing,

the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions and the Company's tax efficiency.

As the taxation system is undergoing significant overhaul, its consequent effects on the Company cannot be determined at present and there can be no assurance that such effects would not adversely affect the Company's business and future financial performance.

The Company has not determined the impact of such legislations on its business. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations governing the Company's business, operations and structure could result in it being deemed to be in contravention of such laws and/or may require the Company to seek approvals and/or could result in an increase in the Company's tax payments (prospectively or retrospectively) and/or subject the Company to penalties, which could affect business operations. The Company may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for the Company to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**22. *Our business and profitability may be negatively affected if we are not able to anticipate rapid changes in technology and inability to customize our service offerings in response to market challenges.***

Our success will depend, in part, on our ability to develop and implement graphic designing and artwork solutions that anticipate and keep pace with rapid and continuing changes in technology, industry standards and client preferences. We may not anticipate or respond to these developments on a timely basis, and our ideas may not be successful in the marketplace. Any one of these circumstances could have a material adverse effect on our ability to obtain and successfully complete important client engagements.

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

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations. For further details of our Directors and Key Managerial Personnel, please refer to the chapter titled "Our Management" beginning on page 109 of this Draft Red Herring Prospectus.

**24. *If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.***

Since we were incorporated in October 2009, we have experienced rapid growth and significantly expanded our business operations. Our total income has grown from Rs. 6.12 Lakhs in the year 2009-10 to Rs. 1395.78 Lakhs in fiscal 2016-17. We have experienced high growth in recent years and expect our businesses to continue to grow significantly. We achieved a CAGR of 40.99% of revenue growth for the five year period ended March 31, 2017. This rapid growth places significant demands on our management and operational resources. In order to manage growth effectively, we have to implement and improve operational systems, procedures and internal controls, technology on a timely basis. If we fail to adopt these improved systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls, we may not be able to service our clients' needs, hire and retain new employees or operate our business effectively. Our inability to implement our growth strategy, to manage our expansion effectively could have a material

adverse effect on our business, revenue, profitability and cash flows. Although, we plan to continue to expand our scale of operations through organic growth, we may not grow at a rate comparable to our growth rate in the past, either in terms of income or profit. If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected

**25. *We require substantial capital for our business operations, and the failure to obtain additional financing in the form of debt or equity may affect our ability to grow and our future profitability.***

Our business is capital intensive, requiring substantial capital to do business. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory changes. To the extent our planned expenditure requirements exceed our available resources; we will be required to seek additional debt or equity financing. Additional financing could increase our cost, in case of debt increase in interest cost and additional restrictive covenants and in case of equity dilution of our earnings per share. We cannot assure that in future, we will be able to raise additional financing on acceptable terms in a timely manner or at all. For more information, regarding financial assistance please refer chapter titled “*Financial Information*” beginning on page 128 of this Draft Red Herring Prospectus.

**26. *The conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.***

Certain of our debt financing agreements contain restrictive covenants and/or events of default that limit our ability to undertake certain types of transactions. These agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities. These debt financing agreements also require us to maintain certain financial covenants. We cannot assure you that we have complied with all such restrictive covenants in a timely manner, or at all, or that we will be able to comply with all such restrictive covenants in the future. Further, during any period in which we are in default, we may be unable to raise, or may face difficulties raising further financing. In such eventuality, other third parties may have concerns over our financial position. Any of these circumstances could adversely affect our business, credit ratings, prospects, results of operations and financial condition. Additionally, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

**27. *Our Company has made applications for registration of trademarks, which are under process of registration. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.***

We have made an application with The Registrar of Trade Marks, Trade Marks Registry for registration of

our trademark "Inscribe Graphics" and logo "" on December 6, 2017 in class 42 and their current status is "marked for examination". The registration for the said trademarks in our name is important to retain our brand equity. If our applications for registration are not accepted or if the oppositions filed against our trademark applications, are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. Further, we cannot assure that our pending applications would be granted registration or if granted registration, will not be invalidated or circumvented. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.

**28. *Our Company enters into several agreements that have several contractual obligations with some of our clients which may impact our business if non fulfilled as per terms of agreements.***

Our Company enters into several agreements with our clients and has several contractual obligations thereof including confidentiality, non- compete service agreements etc. The services that we provide to our clients are often critical to our client's business. If our client's proprietary rights are infringed by our employees in violation of any applicable confidentiality agreements and /or our customers perceive any deficiency and delay in service, our customers may consider us liable for that act and seek damages from us.

**29. *Wage increases in India may reduce our profit margins.***

Our wage costs in India have historically been lower than wage costs in the developed countries for comparably skilled employees. However, wage increases in India may affect our profit margins. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Unless we are able to continue to increase the efficiency and productivity of our employees over the long term, wage increases may reduce our profit margins. Furthermore, increases in the proportion of employees with less experience, or sources of talent from other low cost locations could also negatively affect our profits.

**30. *Our Company's success depends largely upon its skilled professionals and its ability to attract and retain these personnel. The Industry where our Company operates is a highly employee intensive industry.***

Our Company's ability to execute projects and to obtain new clients depends largely on their ability to attract, train, motivate and retain highly skilled professionals, particularly graphic designers and other mid-level professionals. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labour market in India. We invest in training professionals that we hire to perform the services we provide. These professionals are often targeted by the lateral recruitment efforts of our competitors. The performance of our Company will be benefited on the continued service of these persons or replacement of equally competent persons from the domestic or global markets. We may have difficulty in redeploying and retraining our professionals to keep pace with continuing changes in technology, evolving standards and changing customer. For further details for employees of our Company, Kindly refer chapter titled "Our Business" beginning on Page 88 of this Draft Red Herring Prospectus.

**31. *Exchange rate fluctuations in various currencies in which we do business could negatively impact our business, financial condition and results of operations.***

Although our reporting currency is in Rupees, we transact our business in several other currencies, primarily in USD. In Financial Years 2017, 2016 and 2015, respectively, we derived Rs. 765.84 Lakhs, Rs. 1033.07Lakhs and 1256.05 Lakhs earnings from foreign exchange. However, major portion of our costs are in Rupees. 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 can fundamentally affect our competitiveness in the long-term. As our financial statements are presented in Rupees, such fluctuations could have a material impact on our reported results. Our clients generally demand that all risks associated with such fluctuations are borne by us. In order to mitigate our foreign exchange risks, we do not hedge the major currencies in which we transact business by entering into forward contracts. If the currencies in which we transact business fluctuate then our business, financial condition and results of operations may be adversely impacted.

**32. *Our Company in the past has entered into related party transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.***

Our Company had entered into various transactions with our Directors, Promoter, Group Companies and Subsidiary Company. These transactions, inter-alia includes issue of shares, remuneration, loans and advances, services rendered, etc. Our Company has entered into such transactions due to easy proximity and

quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure XXII" on "Related Party Transactions" of the Auditor's Report under section titled "Financial Information" beginning on page 128 of this Draft Red Herring Prospectus.

**33. *Our insurance coverage may be insufficient to protect us against all present and future risks, which may adversely affect our business, financial condition, results of operations and prospects.***

We obtain insurance policies to cover a wide range of risks fire, burglary, cash-in-safe, cash -in-transit, glass breakage, fidelity guarantee and public liability. Insurance policies are obtained for identified risks, which we consider material. The quantum of insurance is dependent on our perception of likelihood of the risk materializing, our scale of operations for the particular facility, and in certain cases, on the basis of actuarial valuation. We may not have obtained insurance for a number of risks, or where obtained, the quantum of cover, or the terms subject to which we may be entitled to make claims, may not fully enable us to recover all losses suffered as a result of the risk insured materializing. There may also be future risks for which we may not obtain insurance. We may, in such cases, be left to bear all or a significant portion of the losses suffered, without any insurance coverage. Our business, financial condition, results of operations and prospects may be adversely affected in the event of insufficient insurance coverage for risks we encounter in our operations. For further details in relation to insurance policies, please refer the chapter titled "Our Business" beginning on page 88 of this Draft Red Herring Prospectus.

**34. *Our actual results could differ from the estimates and projections used to prepare our financial statements.***

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

**35. *There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations appointment of monitoring agency is required only for Issue size above Rs.10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI Listing Regulations. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

Post this Issue, our Promoters and members of the Promoter Group will collectively own more than 72% of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a

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

- 37. *We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer to the chapter titled "Dividend Policy" beginning on page 127 of this Draft Red Herring Prospectus.

- 38. *Our Directors have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.***

Our 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 held by them, their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company and to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Therefore, some of the above interests may conflict with the duties of these persons as Director of the Company. For further details, please refer to the chapter titled "Our Management" beginning on pages 109 of this Draft Red Herring Prospectus.

- 39. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.***

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company, in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters and build-up of Equity Shares of our Promoters, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Red Herring Prospectus.

- 40. *Some of the information disclosed in this Draft Red Herring Prospectus is based on information from industry sources and publications which may be based on projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on, or base their investment decision on this information.***

The information disclosed in the "Industry Overview" chapter of this Draft Red Herring Prospectus is based on information from publicly available sources, Government and research information, publications and websites and has not been verified by us independently and we do not make any representation as to the accuracy of the information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Please refer to the chapter titled "Industry Overview" beginning on page 70 of this Draft Red Herring Prospectus.

- 41. *If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected.***

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting in order to produce reliable financial reports and prevent financial fraud. However, internal controls over financial reporting must be reviewed on an ongoing basis as

risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. To the extent that there are lapses in judgment or breakdowns resulting from human error, the accuracy of our financial reporting could be affected which may adversely affect our business and financial position of our company.

**42. Our contingent liabilities as stated in our Restated Standalone Financial Statements could affect our financial condition.**

(In Lacs)

Particulars	Outstanding as at March 31st, 2017
On account of Income Tax Assessment Year - 2014-15	2.24
Assessment Year - 2015-16	6.04
<b>Total</b>	<b>8.28</b>
On account of Tax Deducted at Source (TDS) demands from the Income Tax Department	<b>9.28</b>

In the event any such contingent liabilities mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, please refer to the section titled "Financial Information" beginning on page 128 of this Draft Red Herring Prospectus.

**43. Our Company has negative cash flows from its investing activities as well as financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Particulars	For the Period Ended September 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Cash Flow from / (used in) Operating Activities	(77.01)	146.96	202.17	143.01	32.19	43.57
Cash Flow from / (used in) Investing Activities	(62.37)	(24.40)	(86.75)	(32.92)	(41.48)	(5.62)
Cash Flow from / (used in) Financing Activities	-	(0.60)	(1.39)	(20.00)	20.00	-

**44. Our Company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.**

Our working capital requirements have been assessed based on management's estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability. For further details, please refer to section titled "Objects of the Issue" beginning on page 60 of this Draft Herring Prospectus.

**45. We have not identified any alternate source of capex for our business expansion and for raising the working capital mentioned as our "Objects of the Issue". The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

Our Company has not identified any alternate source of funding for the purpose of capex for our business expansion and for our working capital requirements and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and

profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. For further details regarding working capital requirement, please refer to the chapter titled "*Objects of the Issue*" beginning on page 60 of this Draft Red Herring Prospectus.

**46. *Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds for capex for our business expansion and working capital purpose. For further details of the proposed objects of the Issue, please refer to chapter titled "*Objects of the Issue*" beginning on page 60 of this Draft Red Herring Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**47. *The requirements of being a listed company may strain our resources.***

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the Equity Listing Agreements with the Stock Exchange which will require us to file audited annual and unaudited half-yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from other business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

- 48. *Our Company has not made the requisite filings with respect to setting up of our overseas branch Inscribe Graphics LLC in USA under the provisions of the FEMA Regulations which may subject us to penal liabilities.***

In 2012, our Company commenced operations in US by establishing a branch office in the name of Inscribe Graphics LLC. Due to oversight, our Company did not file the requisite ODI Form intimating RBI regarding setting up of the said branch. Our Company will make the ODI filing and compound the lapse. While there has been no action of the RBI so far, our Company cannot assure you that RBI will not take any action in this regard in the future.

**Risks Relating to the Issue and Investments in our Equity Shares**

- 49. *We may not declare dividends in the foreseeable future.***

We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

- 50. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the Issue proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence adversely affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT"), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no

STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**52. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although, these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

**53. *The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager. This price will be based on numerous factors, as described under chapter titled "Basis for Issue Price" beginning on page 66 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price.

**54.  *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

**55. *Our revenues, expenses and profitability may be subject to significant fluctuation and hence may be difficult to predict. This increases the likelihood that our results of operations could fall below the expectations of investors and market analysts, which could cause the market price of the Equity Shares to decline.***

Our revenues, expenses and profitability are likely to vary significantly in the future from period to period. Factors which result in fluctuations in our revenues, expenses and profits include:

- the size, complexity, timing, pricing terms and profitability of significant contracts, as well as change in the decision-making processes of our clients;
- the business or financial condition of our clients or the economy generally, or any developments in the

- commodity sector and macro-economic factors;
- the high concentration of orders in a limited number of countries;
- fluctuations in exchange rates;
- the effect of increased wage pressure in India and other countries in which we operate;
- the size and timing of our future expansion.

A significant portion of our total operating expenses, particularly expenses related to personnel and facilities, are fixed in advance of any period. We may not be able to sustain our historical levels of profitability.

Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indications of future performance. It is indeed possible that in the future some of our periodic results of operations may be below the expectations of investors and market analysts, and the market price of the Equity Shares could decline.

**56. *Fluctuations in currency exchange rates may have an adverse impact on the investment in our Equity Shares.***

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of the investment in our Equity Shares of a person resident outside India. Specifically for persons resident outside India, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected: the U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India; the U.S. Dollar equivalent of the proceeds that you would receive upon the sale in India of any of our Equity Shares; and the U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupee. You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate

**Risks Relating to India /External Risk Factors**

**57. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**58. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial results.***

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business including those relating to the industry in which we operate. There can be no assurance that the Government of India or state governments will not introduce new laws, regulations and policies which will require us to obtain additional approvals and licenses or impose onerous requirements on our business. For example, the new Companies Act, 2013 contains significant changes to Indian company law, including in relation to the issue of capital by companies, disclosures in offer documents, related party transactions, corporate governance, audit matters, internal controls, shareholder class actions, restrictions on the number of layers of subsidiaries, prohibitions on loans to directors, insider trading and restrictions on directors and key management personnel from engaging in forward dealing. Moreover, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports.

The Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. Subsequently, the Ministry of Finance, through a press release dated July 6, 2016, deferred the applicability of ICDS from April 1, 2015 to April 1, 2016 and is applicable from FY 2017 onwards and will have impact on computation of taxable income for FY 2017 onwards. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP. Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition going forward.

The Government of India has recently approved the adoption of a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**59. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

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

**61. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price***

*of the Equity Shares.*

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

**62. *Political, economic and social changes in India could adversely affect our business.***

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

**63. *Our business is dependent on the Indian economy.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**64. *Our Company has not made the requisite filings with respect to setting up of our overseas branch Inscribe Graphics LLC in USA under the provisions of the FEMA Regulations which may subject us to penal liabilities.***

In 2012, our Company commenced operations in US by establishing a branch office in the name of Inscribe Graphics LLC. Due to oversight, our Company did not file the requisite ODI Form intimating RBI regarding setting up of the said branch. Our Company will make the ODI filing and compound the lapse. While there has been no action of the RBI so far, our Company cannot assure you that RBI will not take any action in this regard in the future.

## Prominent Notes to Risk Factors

Public Issue of up to 25,26,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which upto 1,86,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of up to 23,40,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.03 % and 25.04%, respectively of the post Issue paid up equity share capital of the Company.

1. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 44 of this Draft Red Herring Prospectus.
2. For period ended September 30, 2017 and as at March 31, 2017, March 31, 2016 and March 31, 2015 our Company's net worth was ₹. 861.89 Lakhs; ₹ 742.09 Lakhs; ₹ 498.69 Lakhs and ₹ 299.91 Lakhs respectively as per our Company's Restated Financial Statements.
3. For period ended September 30, 2017 and as at March 31, 2017, March 31, 2016 and March 31, 2015, the net asset value per Equity Share was ₹ 12.64; ₹. 168.66; ₹ 113.34 and ₹ 68.16 respectively as per our Company's Restated Financial Information..
4. The average cost of acquisition of Equity Shares by Mr. R. Prakash, Mr. A. Omer Sheriff and Ms. Vimla Thomas is ₹. 0.65, ₹ 0.65 and ₹ 0.65 respectively. For further details, please refer to chapter titled "*Capital Structure*" beginning on page 50 of this Draft Red Herring Prospectus. The average cost of acquisition per Equity Share by our Promoters has been calculated by taking the average of the amounts paid by each of our Promoters to acquire the Equity Shares.

Name of our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions per shares (Rs.)
Mr. R. Prakash	22,73,352	0.65
Mr. A. Omer Sheriff	22,73,321	0.65
Ms. Vimla Thomas	22,73,321	0.65

For further details, please refer to the chapter titled "*Capital Structure*" beginning on page 50 of this Draft Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer "*Related Party Transaction*" under chapter titled "*Financial Statements as restated*" beginning on page 128 of this Draft Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "*Issue Structure*" beginning on page 186 of this Draft Red Herring Prospectus.
7. Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoter and Promoter Group*", "*Our Management*" and "*Related Party Transaction*" beginning on pages 50, 120, 109 and 126 respectively, of this Draft Red Herring Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 50 of this Draft Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

10. Investors are advised to refer to the chapter titled "*Basis for Issue Price*" beginning on page 66 of the Draft Red Herring Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the Stock exchange.
12. Our company was originally incorporated as 'Inscribe Graphics Private Limited' on January 27, 2009, under the Companies Act, 1956 and is engaged in the business of graphics, animation, multimedia, web designing and incidental activities. Consequent upon conversion into Public Limited Company the name of our Company was changed to 'Inscribe Graphics Limited' and fresh certificate of incorporation was obtained from the Registrar of Companies, Chennai, Tamil Nadu, on November 16, 2017. The registered office of our Company is situated at 174, Developed Plots Industrial Estate, Perungudi, Chennai - 600 096. The Corporate Identification No. of our Company is U92100TN2009PLC070565.

**SECTION III-INTRODUCTION**

**SUMMARY OF OUR INDUSTRY**

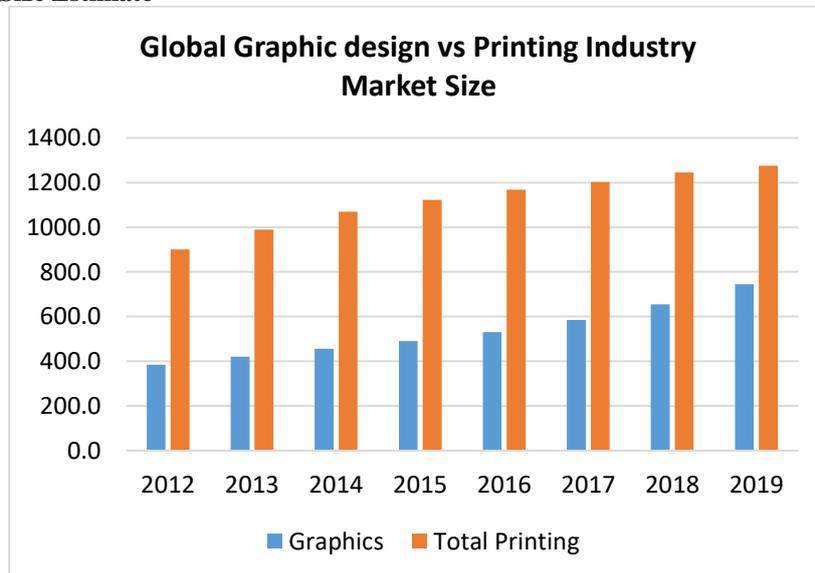
*(The information in this chapter, pertaining to Graphics Designing Industry has been extracted from an industry report entitled “Pramartha Report – Analysis of Graphic Design Industry in India and US” prepared by Prammartha Research and Analytics which is a division of Prammartha Investment Partners, Bangalore. This Industry Report has been specifically prepared for us by Prammartha Investment Partners. Information pertaining to Animation industry has been extracted from one of the publicly available documents viz. ‘KPMG India-FICCI, Indian Media and Entertainment Industry Report 2017’. These data have not been prepared or independently verified by us or the Book Running Lead Manager or any of their or our respective affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” on page 13 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information)*

**Graphics Designing**

Graphics Designing Industry can be viewed as complementary industry of print industry and primarily serving apparel industry. Graphics Designing Industry primarily targets designing of graphics for sportswear, apparel, promotional products and accessories. As complementary industry, Graphics Designing Industry’s growth is tied up with growth of Printing and Apparel and Accessories Industry. The outlook and growth of Graphics Designing Industry is brighter as

- Graphics Designing Industry is complemented by growth of Printing and Apparel and Accessories Industry growth
- Graphics Designing Industry is penetrating existing Apparel and Accessories Industry by replacing traditional design and artwork of Apparel and Accessories

**Market Size Estimate**



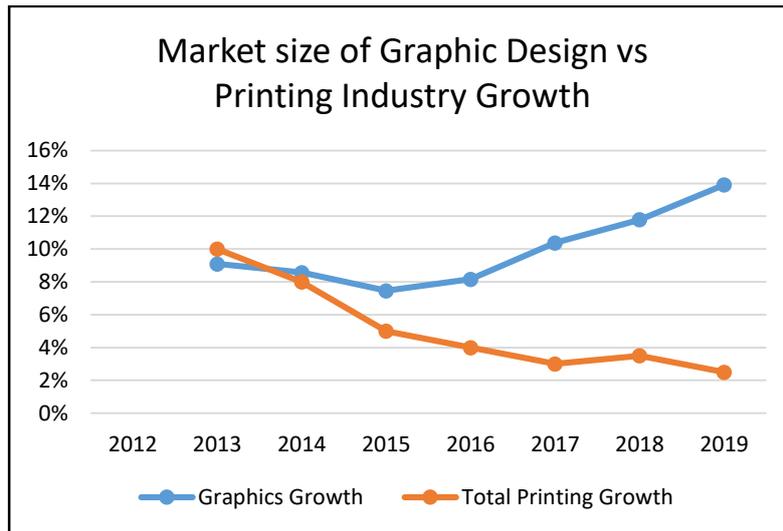
Source: Prammartha

The graphic design industry is a fast pace emerging market. With the advent of technology creative ideas can be put to task. Globally, the graphic design market is still evolving itself into a streamlined business. Social media websites which onboard eCommerce industries will benefit from the creative graphic design space. It is one of the quickest ways to reach out to a larger market segment.

The graph above shows us that the graphic design market trend is increasing in-line with the printing industry. From customizable fabrics, to bags, coffee mugs, stationaries, shoes, there is a non-exhaustive list of products that are creating a new market for graphic design and printing. The graph clearly captures this trend.

We observe that the graphic design industry saw a major uptick from the year 2014. The curve line has been constantly increasing ever-since and will continue as expected till 2020. Total Printing market observes a similar

positive trend, but in the recent years the increase ratio has declined due to initiatives and social awareness of a “Go Green Environment”.



Source : Pramatha

Graphics design is yet to penetrate the major market players. The year 2013 saw an overall constant growth in the size of the graphic design industry. On the other hand, the printing industry market is diving down at an unexpected rate. Researchers say the bearish trend is due to digitalization and social awareness for a cleaner planet.

The year 2014 has been a drastic game changer for the printing industry wherein market size fell by over 40%. Ever-since then a bearish trend has been observed, the year 2017 saw a non-significant rise in the market penetration of the printing industry. The graphic design industry saw a slight downward trend in the year 2014 in-line with the drastic fall of printing industry market, thereafter the market size has kept increasing. This positive trend line associates the development of creative graphic design infused in a wide range of products to choose from. In the years to come, this industry would have acquired a major market share with the other sharks out there.

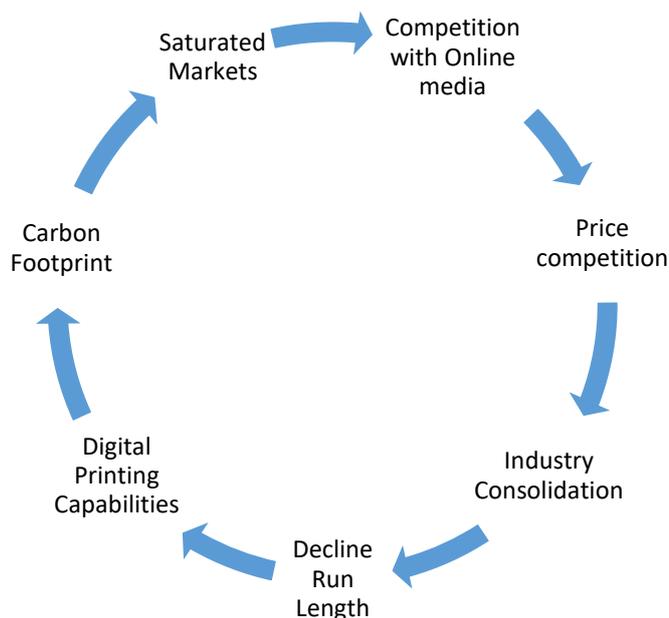
**Key Drivers of Industry**

Key Drivers of Change	Changing Client requirements
Shorter Product lifecycles	Faster turnaround
Fragmentation of consumer interests	More but smaller jobs
Tighter budgets	Increased Productivity
Global Targeted multimedia communication	Expanded services with web and print
Competition	Stronger Client relationship

The Key drivers of change in the industry are shorter product life cycles, fragmentation of consumer interests, tighter budgets, global targeted multimedia communication and competition. The changing client requirements are being addressed by faster turnaround time, more but smaller jobs, increased productivity, expanded services with web and print and stronger client relationship

The critical impacts to drive change in the Graphic Design industry are

1. Competition with online media
2. Price competition
3. Industry consolidation
4. Decline run length
5. Digital Printing Capabilities
6. Carbon Foot print
7. Saturated Markets



### ANIMATION

The animation industry in India registered a growth of 8 per cent in 2016, with revenues amounting to INR15 billion. Although animation services have always accounted for a lion’s share of the revenue, animation IP production is fast coming to the forefront growing at a Compound Annual Growth Rate (CAGR) of close to 8 per cent during 2011 to 2016. In 2016, animation Intellectual Property (IP) production recorded a year-on-year (y-o-y) growth of 8.7 per cent. Though, over the next five years, animation services would continue to dominate the animation industry, the domestic content production would also pick up owing to the growing demand of IPs, new characters and storylines.

Inflow of projects from international television (TV) patrons drove the animation services space in 2016 while animation services for international films also witnessed a healthy increase. Together, revenues from outsourced TV and film projects accounted for around 85 per cent of the total animation service turnover in India.01 Conversely, the domestic animation services market remained tepid, with there being a dearth of projects outsourced internally. Going forward, the trend is likely to continue as growth will come from internationally commissioned projects, with the domestic services market also exhibiting strong growth – albeit on a smaller scale.

In 2016, TV projects continued to dominate the animation services markets on the back of outsourced work. However, films and digital advertising segments are expected to gain share in the total animation services pie over the next five years. As India makes further investment in the sector and strengthens its place in the global animation space, higher number of outsourcing work is expected to flow from international film industries and growing digital advertising domain.

### Animation Industry Performance

Segments	2012	2013	2014	2015	2016	YoY growth i 2016	2017 P	2018P	2019P	2020P	2021 P	CAGR % 2016- 2021
Animation Services	7.6	8	8.1	8.3	8.9	7.30%	9.7	10.8	12.1	13.2	14.2	9.80%
Animation IP Production	4.5	4.7	5.1	5.6	6.1	8.70%	6.8	7.5	8.2	8.7	9.5	9.30%
<b>Total</b>	<b>12.1</b>	<b>12.7</b>	<b>13.2</b>	<b>13.9</b>	<b>15.0</b>	<b>7.90%</b>	<b>16.5</b>	<b>18.3</b>	<b>20.2</b>	<b>21.9</b>	<b>23.7</b>	<b>9.60%</b>

Source:KPMG India- FICCI, Indian Media and Entertainment Industry Report 2017

**SUMMARY OF OUR BUSINESS**

*In this section “our Company” refers to the Company, while “we”, “us” and “our” refers to Inscribe Graphics Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page 13 and "Industry Overview" on page 70*

Our company was originally incorporated as ‘Inscribe Graphics Private Limited’ on January 27, 2009, under the Companies Act, 1956 and is engaged in the business of graphics, animation, multimedia, web designing and incidental activities. Consequent upon conversion into Public Limited Company, the name of our Company was changed to ‘Inscribe Graphics Limited’ and fresh certificate of incorporation was obtained from the Registrar of Companies, Chennai, Tamil Nadu, on November 16, 2017.

Our Company, so far, has been catering to the overseas markets only. It started with offering services to clients in USA and later on expanded into countries like UK, Norway, Honk Kong, Australia, Canada, Singapore and Bangladesh. Artwork and Digitising are its core areas of activities from inception.

Our Company focusses on Promotional Products, Fashion Apparel, Retail, Professional Sports, Collegiate Licensing, Corporate, Uniforms, Licensed Team Sports, Sporting Goods, Graduation Products, Cheerleading, Printing, Manufacturing and Embroidery markets.

The company was directly dealing with its overseas clients in the beginning years. However, for operational and marketing convenience our company had started a branch in USA in March 2012 and the branch started procuring orders from the overseas clients (mostly from USA) and those orders were executed by the Head Office at Chennai, India. With the rolling out of Goods and Services Tax in India in July 2017, the company had thought it fit to incorporate a Wholly Owned Subsidiary (WOS) in USA for operational and administrative reasons and also for achieving tax efficiency. The WOS in USA was set up in the month of October 2017 and now the WOS procures orders from the clients and interacts with them, instead of the USA branch with execution continues to be done by the Head Office at Chennai.

During the current financial year 2017-18, the company has forayed into the animation segment. It has started with 2D animation projects and would also be considering 3D animation projects in the coming months. The company has laid a strong foundation for taking up bigger projects in future. At present the 2D animation segment executes work in the television segment and in due course works from movie and other segments would also be taken up. Being a recently started division, the contribution of this division to the overall turnover and profits of the company is marginal. However, this division is expected to grow significantly in the coming years.

Our Company deals in two segments as mentioned below:



**Nature of Services – Graphic Designing:**

**Our Graphic Designing works can be categorised into two – Artwork and Digitizing**

**Artwork:**

Our artwork services add perfection to design workflow of the clients.. Our design team transforms raw image inputs into camera ready artwork for use by custom-decorating apparel manufacturers and the promotional products industry. Camera ready artwork is used for various methods of imprinting including silk screen printing, engraving, laser etching, debossing/ embossing, and even enamel art on a wide range of apparel, promotional products, sporting wear, headgear and accessories. Our artwork capabilities include vector design, redraws, namedrops, image editing, custom rhinestone designs, virtual embroidery and customer proofs among many others.

**The following activities come under our Artwork services**

- Redraw
- Namesdrop
- Image Edit
- Print ready color separation
- Rhinestone
- Typeset and page layouts
- Print Design
- Mock ups
- Labels
- Plastic Card

**Digitizing:**

Stand-out embroidery designs on garments, bags, headwear, uniforms and various accessories begin with high quality custom embroidery digitizing that converts design into a digital embroidery file readable by any embroidery machine. Our digitizing capabilities range from namedrop, lettering and logos, to appliqué, sequins, 3D puff, chenille and motifs. Texture is added in thread colors to match your design, using different types of fills including satin stitch, complex fill, run stitch, triple run, motif, backstitch and manual stitch. Logos, monograms, emblems and just about any design can be digitized precisely to specifications, ready to be sewn by your embroidery machine on a wide range of substrates.

**The following activities come under our Digitizing Services**

Direct Embroidery  
Patches & Badges  
Puff & 3D designs  
Applique  
Sequins  
Chenille  
Motifs

**Our Competitive Strength**

- Experienced Management Team
- Good Infrastructure facility
- Skilled Technical Team
- Presence in USA through a Wholly Owned Subsidiary
- Customer Loyalty

**Our Strategies**

- To explore newer markets across the globe
- To set up branches/marketing offices in more number of countries
- To aggressively acquire new and more clients in existing markets
- To consider inorganic growth, wherever possible
- To consider forward and backward integration opportunities

**Competition**

Graphics Designing, especially for sports apparels is still a niche market in India and there are only fewer players in the market. Affinity Express India Private Limited, Nittany Creative Solutions Private Limited, Esales Technologies Private Limited and Shawk India Private Limited are some of the companies in similar lines of business. However, these companies could be carrying out some other activities also apart from Graphic Designing. The management is of the opinion that competition from companies located in India is not significant and that it has to compete with players from other countries including the players in USA from where bulk of the orders originates.

As far as Animation activities are concerned, the company has to compete with a number of players in India. Due to heavy competition, there is always a pressure on the margins. The division has been working on obtaining direct overseas projects where not only the size of the order will be bigger but the margins would also be higher. Apart from offering only services, the Company will also be considering co-production type arrangements. It might even consider part owning some overseas animation entities to increase the volume of its operations in the coming years.

## SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial statements have been prepared in accordance with Indian GAAP, the companies Act, 1956/ 2013 and the SEBI (ICDR) Regulations, 2009 and restated as described in the Peer Review Auditor's Report in the chapter titled 'Financial Statements' beginning on page no 128 of this Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the half year ended September 30, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014, 2013 including the notes thereto and the chapter titled 'Management' Discussion and Analysis of Financial Condition and Results of Operations' on page no 149 of this Draft Red Herring Prospectus.

### Statement of Assets and Liabilities, as Restated

(₹ in Lakhs)

S. No.	Particulars	As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>						
<b>1</b>	<b>Shareholders' funds</b>						
	(a) Share capital	682.00	44.00	44.00	44.00	44.00	44.00
	(b) Reserves and surplus	179.89	698.09	454.69	255.91	140.82	81.85
		<b>861.89</b>	<b>742.09</b>	<b>498.69</b>	<b>299.91</b>	<b>184.82</b>	<b>125.85</b>
<b>2</b>	<b>Non-current liabilities</b>						
	(a) Long-term borrowings	-	-	-	-	20.00	-
	(b) Deferred tax liabilities (Net)	12.38	5.18	12.18	2.55	6.62	5.94
		<b>12.38</b>	<b>5.18</b>	<b>12.18</b>	<b>2.55</b>	<b>26.62</b>	<b>5.94</b>
<b>3</b>	<b>Current liabilities</b>						
	(a) Short-term borrowings	-	-	40.06	-	-	-
	(b) Trade payables	33.60	10.81	12.38	13.09	9.79	2.74
	(c) Other current liabilities	90.03	85.98	117.27	124.74	101.51	175.48
	(d) Short-term provisions	-	-	11.92	16.41	6.64	11.08
		<b>123.63</b>	<b>96.79</b>	<b>181.63</b>	<b>154.24</b>	<b>117.94</b>	<b>189.30</b>
	<b>Total</b>	<b>997.90</b>	<b>844.05</b>	<b>692.50</b>	<b>456.70</b>	<b>329.38</b>	<b>321.08</b>
<b>II.</b>	<b>ASSETS</b>						
<b>1</b>	<b>Non-current assets</b>						
	(a) Fixed assets						
	(i) Tangible assets	137.52	98.83	124.39	74.93	77.46	34.08
	(ii) Intangible assets	24.41	32.11	41.27	46.78	31.89	24.03
	(b) Capital Advances (Unsecured, Considered Good)	43.73	-	-	-	-	54.51
		<b>161.93</b>	<b>130.94</b>	<b>165.66</b>	<b>121.71</b>	<b>109.35</b>	<b>58.11</b>
	(c) Non-current investments	12.88	12.88	12.88	12.88	12.88	17.66
	(d) Income Tax Assets (Net of Provisions)	<b>35.48</b>	<b>11.76</b>				
		<b>254.02</b>	<b>155.58</b>	<b>178.54</b>	<b>134.59</b>	<b>122.23</b>	<b>130.28</b>
<b>2</b>	<b>Current assets</b>						
	(a) Trade receivables	203.11	130.14	116.80	91.51	77.04	70.41
	(b) Cash and cash equivalents	271.84	411.23	289.27	175.24	85.15	74.44
	(c) Short-term loans and advances	91.61	111.51	85.39	45.36	34.96	35.95
	(d) Other Financial Assets	122.83	35.59	22.50	10.00	10.00	10.00
	(e) Other Current Assets	54.50	-	-	-	-	-
		<b>743.89</b>	<b>688.47</b>	<b>513.96</b>	<b>322.11</b>	<b>207.15</b>	<b>190.80</b>
	<b>Total</b>	<b>997.90</b>	<b>844.05</b>	<b>692.50</b>	<b>456.70</b>	<b>329.38</b>	<b>321.08</b>

*Statement of Profit & Loss Account, as Restated*

(₹ in Lakhs)

S. No.	Particulars	For the 6 Months period ended on September 30,2017	For the year ended March 31				
			2017	2016	2015	2014	2013
I.	Revenue from operations	747.84	1,338.98	1,100.05	839.03	703.11	442.99
II.	Other income	5.65	56.80	33.89	7.77	23.46	14.39
III.	<b>Total Revenue (I + II)</b>	<b>753.49</b>	<b>1,395.78</b>	<b>1,133.94</b>	<b>846.80</b>	<b>726.57</b>	<b>457.38</b>
IV.	<b>Expenditure</b>						
	Employee benefits expense	410.53	739.85	590.49	501.90	340.28	272.04
	Finance costs	-	0.60	1.39	-	-	-
	Depreciation and amortization expense	31.39	59.11	42.80	51.25	47.76	14.68
	Other expenses	143.91	234.92	187.24	168.03	251.67	110.40
	<b>Total expenses</b>	<b>585.83</b>	<b>1,034.48</b>	<b>821.92</b>	<b>721.18</b>	<b>639.71</b>	<b>397.12</b>
V.	<b>Profit Before Tax (III - IV)</b>	<b>167.66</b>	<b>361.30</b>	<b>312.02</b>	<b>125.62</b>	<b>86.86</b>	<b>60.26</b>
VI.	<b>Tax expense:</b>						
	Current tax	42.73	126.00	107.60	48.62	27.50	16.50
	Short/(Excess) provision of tax	(2.07)	(1.08)	(4.00)	(3.34)	(0.29)	(0.14)
	Deferred tax	7.20	(7.01)	9.64	(4.07)	0.68	2.49
		47.86	117.91	113.24	41.21	27.90	18.84
VII.	<b>Profit (Loss) for the period (V- VI)</b>	<b>119.80</b>	<b>243.39</b>	<b>198.78</b>	<b>84.41</b>	<b>58.96</b>	<b>41.42</b>
VIII.	<b>Earnings per Equity Share</b>						
	(Considering Bonus Issue)						
	Basic	3.51	3.57	2.91	1.24	0.86	0.61
	Diluted	3.51	3.57	2.91	1.24	0.86	0.61

*Statement of Cash Flow, as Restated*

(₹ in Lakhs)

Sr. No.	Particulars	For the six months ended 30.09.2017	For the year ended March 31				
			2017	2016	2015	2014	2013
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:-</b>						
	Net Profit before Tax as per Profit & Loss Account	167.66	361.30	312.02	125.62	86.86	60.26
	<b>Adjusted for:</b>						
	Depreciation and Amortisation Expenses	31.39	59.11	42.80	51.25	47.76	14.68
	Loss on Sale of Asset	-	-	-	-	2.59	
	Profit on sale of Investments	-	-	-	-	(0.81)	(5.06)
	Finance Costs	-	0.60	1.39	-	-	-
	<b>Operating Profit before Working Capital Changes</b>	<b>199.05</b>	<b>421.01</b>	<b>356.21</b>	<b>176.87</b>	<b>136.40</b>	<b>69.88</b>
	<b>Adjusted for:</b>						
	Trade Receivables	(72.97)	(13.34)	(25.29)	(14.47)	(6.63)	(49.99)
	Short Term loans & Advances	19.92	(26.12)	(40.03)	(10.40)	0.99	(24.87)
	Other Financial Assets	(87.24)	(13.09)	(12.50)	-	-	-
	Other Current Assets	(54.50)	-	-	-	-	-
	Trade Payable, Other Current Liabilities & Provisions	26.84	(72.92)	31.88	26.53	(66.92)	115.11
	<b>Cash Generated From Operations</b>	<b>(167.95)</b>	<b>(125.47)</b>	<b>(45.94)</b>	<b>1.66</b>	<b>(72.56)</b>	<b>40.25</b>
	Taxes Paid	(64.38)	(148.58)	(108.10)	(35.52)	(31.65)	(12.05)
	<b>Net Cash from Operating Activities</b>	<b>(33.28)</b>	<b>146.96</b>	<b>202.17</b>	<b>143.01</b>	<b>32.19</b>	<b>98.08</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:-</b>						
	Purchase of Fixed Assets	(62.37)	(24.40)	(86.75)	(32.92)	(47.98)	(40.00)
	Capital advances	(43.73)					(54.51)
	Investments made						(10.48)
	Proceeds from sale of Fixed Assets	-	-	-	-	0.90	-
	Proceeds from sale of Investments	-	-	-	-	5.60	44.86
	<b>Net Cash ( used in ) / from Investing Activities</b>	<b>(106.10)</b>	<b>(24.40)</b>	<b>(86.75)</b>	<b>(32.92)</b>	<b>(41.48)</b>	<b>(60.13)</b>

<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:-</b>						
	Proceeds from Long Term Borrowings ( Net)	-	-	-	(20.00)	20.00	-
	Finance Cost	-	(0.60)	(1.39)	-	-	-
	<b>Net Cash ( used in)/ from Financing Activities</b>	<b>-</b>	<b>(0.60)</b>	<b>(1.39)</b>	<b>(20.00)</b>	<b>20.00</b>	<b>-</b>
<b>D.</b>	<b>Net Increase in Cash or Cash Equivalents ( A + B +C )</b>	<b>(139.38)</b>	<b>121.96</b>	<b>114.03</b>	<b>90.09</b>	<b>10.71</b>	<b>37.95</b>
<b>E.</b>	<b>Opening Balance of Cash and Cash Equivalents</b>	411.23	289.27	175.24	85.15	74.44	36.49
	<b>Closing Balance of Cash and Cash Equivalents ( D + E )</b>	<b>271.84</b>	<b>411.23</b>	<b>289.27</b>	<b>175.24</b>	<b>85.15</b>	<b>74.44</b>

## THE ISSUE

The following is the summary of the Issue:

Particulars	Details of Equity Shares
Issue of Equity Shares	Upto 25,26,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•] Lakhs.
<i>of which:</i>	
Market Maker Reservation Portion	Upto 1,86,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•] Lakhs
Net Issue to the Public	Upto 23,40,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•] Lakhs
<i>Of which:</i>	
Non-Institutional Portion	[•] Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•] lakhs will be available for allocation to investors above ₹2.00 Lakhs
Retail Portion	[•] Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•] Lakhs will be available for allocation for allotment to Retail Individual Investors of up to ₹2.00 Lakhs
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	68,20,000 Equity Shares
Equity Shares outstanding after the Issue	93,46,000 Equity Shares
Use of Proceeds (Objects of the Issue)	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 60 of this Draft Prospectus

Notes:

- 1) The Present Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on September 07, 2017 and by the Shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting held on November 01, 2017.
- 2) This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

## GENERAL INFORMATION

Our Company was originally incorporated as Inscribe Graphics Private Limited on January 27, 2009 under the provisions of the Companies Act, 1956. Subsequently the name of our Company was changed into a Public Limited Company and the name was changed into Inscribe Graphics Limited vide fresh certificate of incorporation dated November 16, 2017 issued by the Registrar of Companies, Chennai, Tamil Nadu.

### REGISTERED OFFICE

**Name** : Inscribe Graphics Limited  
**CIN** : U92100TN2009PLC070565  
**Address** : 174, Developed Plots Industrial Estate, Perungudi, Chennai-600 096  
**Company Reg. No.** : 070565  
**Tel No.** : +91 44 4206 1015  
**E-Mail ID** : compliance@inscribegraphics.com  
**Website** : www.inscribegraphics.com

### BOARD OF DIRECTORS

Sr. No.	Name	Designation	DIN	Address
1)	Mr. R Prakash	Managing Director	02401643	Flat No. 3, Plot No. 7, Cee Dee Yess Sapathaswara Apartments, 6 <sup>th</sup> Main Road, Vijaynagar, Velachery, Chennai – 600042.
2)	Mr. A Omer Sheriff	Whole Time Director	02487807	Plot 188, 2 <sup>nd</sup> Main Road, New Kumaran Nagar, Sholinganallur, Chennai - 600119
3)	Ms. Vimla Thomas	Whole Time Director	02778969	1G Block, 3, Ramnaiyam Eden, Velachery Main Road, Chennai-600042
4)	Ms. Hemalatha Rajan	Independent and Non-Executive Director	00115674	Flat No. C3, 3 <sup>rd</sup> Floor, Golden Kings Court, 61, TAS Enclave, 10 <sup>th</sup> Main Road, Annanagar, Chennai 600040
5)	Ms. R Sneha	Independent and Non-Executive Director	08000608	No.9 Anna Avenue, Bakthavatchalam Nagar Extension, Adyar, Chennai-600020
6)	Mr. A. Hariharan	Non-Executive Director	05250860	41A, Muniasamy Puram, 2 <sup>nd</sup> Street, Tuticorin - 628003.

For further details of our Company, please refer to section titled “*Our Management*” beginning on page 109 of this DRHP.

### COMPANY SECRETARY & COMPLIANCE OFFICER

**Name** : Mr. G. Someswara Rao  
**Address** : 174, Developed Plots, Industrial Estate, Perungudi, Chennai 600096  
**Tel No.** : +91 44 4206 1015  
**Email** : compliance@inscribegraphics.com  
**Website** : www.inscribegraphics.com

Investors may contact the Compliance Officer and / or the Registrar to the Issue and / or the Book Running Lead Manager to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

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

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

**CHIEF FINANCIAL OFFICER**

**Name** : Ms. R. Lakshmi  
**Address** : 174, Developed Plots, Industrial Estate, Perungudi, Chennai 600096  
**Telefax No.** : +91 44 4206 1015  
**E-Mail ID** : lakshmi@inscribegraphics.com

**REGISTRAR AND SHARE TRANSFER AGENT**

**Name** : **Cameo Corporate Services Limited**  
**CIN** : U67120TN1998PLC041613  
**Address** : Subramanian Building, No. 1 Club House Road, Chennai-600 002  
**Company Reg. No.** : 041613  
**Tel No.** : +91 44 2846 0390  
**Contact Person** : Mr. R D Ramasamy  
**E-Mail ID** : cameo@cameoindia.com  
**SEBI Regn. No.** : INR000003753  
**Website** : www.cameoindia.com

**DESIGNATED STOCK EXCHANGE****National Stock Exchange of India Limited (NSE Emerge)**

Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E)  
Mumbai- 400051.

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Corporate Structure*” beginning on page 106 of this Draft Red Herring Prospectus.

**STATUTORY AUDITORS & PEER REVIEW AUDITORS**

**Name** : **M/s. Ramraj & Co, Chartered Accountants**  
**Address** : Plot No. 70, Dr. Gurunath Street, Panneer Nagar, Mogappair, Chennai 600 037  
**Email** : aareddy8@gmail.com  
**Contact Person** : Mr. Amarnatha Reddy  
**Contact No.** : 9884708522  
**Firm Reg. No.** : 002839S

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**Name** : **Mark Corporate Advisors Private Limited**  
**Address** : The Summit Business Bay, Sant Janabai Road (Service Lane),  
Off W. E. Highway, Vile Parle (East), Mumbai-400 057  
**Tel No.** : +91 22 2612 3207 / 08  
**Fax** : +91 22 2612 3208  
**Contact Person** : Mr. Manish Gaur / Mr. Shobhit R Agrawal  
**Email** : smeipo@markcorporateadvisors.com  
**SEBI Reg. No.** : INM000012128  
**Investor Grievance Email** : investorgrievance@markcorporateadvisors.com  
**Website** : www.markcorporateadvisors.com

**LEGAL ADVISORS TO THE ISSUE**

**Name** : **Rajani Associates, Advocates & Solicitors**  
**Address** : Krishna Chambers, 59 New Marine Lines, Churchgate, Mumbai-400 020  
**Tel No.** : +91 22 4096 1000  
**Contact Person** : Ms. Sangeeta Lakhi  
**Email** : info@rajaniassociates.net  
**Website** : www.rajaniassociates.net

#### SECRETARIAL AUDITOR

**Name** : **A.Kumar Reddy**  
**Address** : No.127/143, Room No.9, 1st Floor,Nelson Manickam Road, Metha Nagar,  
 Chennai-600 029  
**Tel No.** : 91-98847 32522  
**Contact Person** : Mr. Kumar Reddy  
**Email** : kumarreddy\_acs@yahoo.co.in

#### BANKERS TO THE COMPANY

**Name** : **ICICI Bank Limited**  
**Address** : 2/1 L B Road, Adyar, Chennai-600 020  
**Contact Name** : Aishwariya Sathyanarayanan  
**Contact No.** : +91 44 4211 6440  
**E-Mail ID** : aishwariya.sathyanarayanan@icicibank.com

**Name** : **Axis Bank Limited**  
**Address** : No. 18, M G Road, Shastri Nagar, Chennai-600 041  
**Contact Name** : P. Kiruthika  
**Contact No.** : +91 44 245 2333  
**E-Mail ID** : balakrishnan2.s@axisbank.com

#### BANKER TO THE ISSUE/ PUBLIC ISSUE BANK

<b>Name</b>	:	
<b>Address</b>	:	
<b>Tel No.</b>	:	
<b>Fax</b>	:	
<b>Contact Person</b>	:	
<b>Email</b>	:	
<b>Website</b>	:	
<b>SEBI Regn No.</b>	:	

#### DESIGNATED INTERMEDIARIES

##### SELF CERTIFIED SYNDICATE BANKS

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

##### REGISTERED BROKERS

Investors can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and email address, is provided on the websites of the National Stock Exchange of India, as updated from time to time. In relation to ASBA Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

##### REGISTRAR TO ISSUE

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **CREDIT RATING**

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

## **TRUSTEES**

This being an issue of Equity shares, the appointment of Trustees is not mandatory.

## **IPO GRADING**

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

## **APPRAISAL AND MONITORING AGENCY**

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 10,000 Lakhs. Since the Issue size is less than ₹ 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

## **DETAILS OF THE APPRAISING AUTHORITY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since, Mark Corporate Advisors Private Limited is the sole Book Running Lead Manager to this offer, all the issue related activities will be managed by them.

## **EXPERT OPINION**

Except the report of Statutory Auditor of our Company on statement of tax benefits included in the Draft Red Herring Prospectus, our Company has not obtained any other expert opinion.

## **UNDERWRITING**

This Issue is 100% Underwritten. The Underwriting Agreement is dated [•] pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein.

The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
<b>Mark Corporate Advisors Private Limited</b> 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057	[•]	[•]	[•]
[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]	[•]	[•]

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall be paid a commission at the rate of 1% of the net offer to the public.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated [\*] with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:

**Name** : [•]  
**Address** : [•]  
**Tel No.** : [•]  
**Fax** : [•]  
**Email** : [•]  
**Contact Person** : [•]  
**SEBI Reg. No.** : [•]

[•], registered with SME segment (NSE EMERGE) of NSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three years from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [•] Equity Shares to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above [•] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Sparkle Securities Solutions Private Limited is acting as the sole Market Maker.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non- controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
- 11) In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 12) Emergence of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 13) Emergence of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 14) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 15) The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

## CAPITAL STRUCTURE

The share capital of the Company as at the date of this Draft Red Herring Prospectus, before and after the Issue, is set forth below:

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate value at Face Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorized Share Capital</b>		
	1,10,00,000 Equity Shares of face value of ₹10 each	1100.00	1100.00
<b>B.</b>	<b>Issued, subscribed and paid-up Equity Share Capital before the Issue</b>		
	68,20,000 Equity Shares of face value of ₹10 each	682.00	-
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus</b>		
	Issue of 25,26,000 Equity Shares of ₹10 each at a price of ₹[•] per Equity Share	252.60	[•]
	<i>Which comprises of:</i>		
	<i>Market Maker Reservation Portion</i> -1,86,000 Equity Shares of Face Value of ₹10 each at a price of ₹[•] per Equity Shares reserved for Market Maker portion	18.60	[•]
	<i>Net Issue to Public</i> -23,40,000 Equity Shares of Face Value of ₹10 each at a price of ₹[•] per Equity Shares	234.00	[•]
	<i>Of the Net Issue to Public:</i>		
	<i>Allocation to Retail Individual Investors</i> -upto [•] Equity Shares of Face Value of ₹10 each at a price of ₹[•] per Equity Share available for allocation for Investors applying for a value of upto 2.00Lakhs	[•]	[•]
	<i>Allocation to other than Retail Individual Investors</i> -upto [•] Equity Shares of Face Value of ₹10 each at a price of ₹[•] per Equity Share available for allocation for Investors applying for a value of above ₹2.00 Lakhs	[•]	[•]
<b>D.</b>	<b>Equity Capital after the Issue</b>		
	Upto 93,46,000 Equity Shares of ₹10/- each	934.60	[•]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[•]

The Issue has been authorized by a resolution of the Board of Directors, dated September 07, 2017 and by a resolution of the shareholders of our Company in the EGM held on November 01, 2017 under section 62(1) (c) of the Companies Act, 2013.

Our Company has no outstanding partly paid-up shares/convertible instruments/warrants as on the date of this Draft Red Herring Prospectus.

### Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of ₹10/- each.

### Changes in the Authorized Share Capital of our Company:

Sr. No.	Particulars of Change		Date of Meeting	Meeting AGM/EGM
	From	To		
1)	10,000 Equity shares of ₹10 each		Incorporation	-
2)	₹1,00,000 (10,000 Equity Shares of ₹10 each)	₹50,00,000 (5,00,000 Equity Shares of ₹10 each)	March 25, 2010	AGM
3)	₹50,00,000 (5,00,000 Equity Shares of ₹10 each)	₹11,00,00,000 (1,10,00,000 Equity Shares of ₹10 each)	August 02, 2017	EGM

## Notes Forming Part of Capital Structure:

### 1. Equity Share Capital History of our Company

Date of issue/ allotment of Shares	No. of Equity Shares Issued	Face value (₹)	Issue price (₹)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid- up share capital (₹)	Cumulative share premium (₹)
On incorporation	10,000	10	10	Cash	Subscribers to Memorandum	10,000	100,000	NIL
30.03.2010	4,30,000	10	10	Cash	Preferential Allotment	4,40,000	44,00,000	NIL
29.08.2017	63,80,000	10	-	Bonus	Bonus in the ratio of 29:2	68,20,000	6,82,00,000	NIL

#### List of Allottees as per allotment details mentioned above:

(i) *The Subscribers to the Memorandum of Association of our Company are:*

Sr.No	Names of Allottees	Number of Equity Shares
1	Mr. R Prakash	5,000
2	Mr. A Omer Sheriff	5,000
	<b>Total</b>	<b>10,000</b>

(ii) *Allotment of 4,30,000 Equity Shares on 30.03.2010:*

Sr.No	Names of Allottees	Number of Equity Shares
1	Mr. R Prakash	1,79,800
2	Mr. A Omer Sheriff	1,70,400
3	Inscribe BPO Pvt. Ltd.	79,800
	<b>Total</b>	<b>4,30,000</b>

*Allotment of 63,80,000 Equity Shares on 29.08.2017:*

Sr.No	Names of Allottees	Number of Equity Shares
1	Mr. R Prakash	21,26,686
2	Mr. A Omer Sheriff	21,26,657
3	Ms. Vimla Thomas	21,26,657
	<b>Total</b>	<b>63,80,000</b>

2. We have not issued any Equity Shares for consideration other than cash except issue of Bonus shares.

3. We have not issued any Equity Shares out of revaluation reserve or in terms of any Scheme approved under Section 391 to 394 of the Companies Act, 1956 and/or Section 230-233 of the Companies Act, 2013.

#### 4. Capital Build Up of our Promoters:

Date of Allotment /Transfer	Consideration	Nature of Acquisition (Allotment /Acquired/ Transfer)	No of Equity Shares	Face Value	Issue Price/ Acquisition Price/ Transfer Price	Source of funds	Percent age of Pre-Issue paid up capital	Percenta ge of Post issue paid up capital
<b>A. Mr. R Prakash</b>								
Incorporation	Cash	Subscriber to Memorandum	5,000	10	10	Owned	0.07%	0.05%
30.03.2010	Cash	Preferential Allotment	1,79,800	10	10	Owned	2.64%	1.92%
31.03.2010	Cash	Transfer from Inscribe BPO Private Limited	35,200	10	10	Owned	0.52%	0.38%
31.03.2010	Cash	Transfer to Ms. Vimla Thomas	(73,332)	10	10	-	-1.08%	(0.78%)
29.08.2017		Bonus Issue	21,26,686	10	NIL	-	31.18%	22.76%
30.08.2017	Cash	Transfer to VS VijayaPriya	(1)	10	10	-	Negligible	
30.08.2017	Cash	Transfer to M Seemati	(1)	10	10	-	Negligible	
<b>Total (A)</b>			<b>22,73,352</b>			-	<b>33.33%</b>	<b>24.32%</b>
<b>B. Mr. A Omer Sheriff</b>								
Incorporation	Cash	Subscriber to Memorandum	5,000	10	10	Owned	0.07%	0.05
30.03.2010	Cash	Preferential Allotment	1,70,400	10	10	Owned	2.50%	1.82
31.03.2010	Cash	Transfer from Inscribe BPO Private Limited	44,600	10	10	Owned	0.65%	0.48
31.03.2010	Cash	Transfer to Ms. Vimla Thomas	(73,334)	10	10	-	-1.08%	(0.78)
29.08.2017	Cash	Bonus	21,26,657	10	NIL	-	31.18%	22.75
30.08.2017	Cash	Transfer to A Sultan Hameed	(2)	10	10	-	Negligible	0.00
<b>Total (B)</b>			<b>22,73,321</b>			-	<b>33.33%</b>	<b>24.32%</b>
<b>A. Ms. Vimla Thomas</b>								
31.03.2010	Cash	Transfer from Mr. R Prakash	73,332	10	10	Owned	1.08%	0.78%
31.03.2010	Cash	Transfer from Mr. A Omer Sheriff	73,334	10	10	Owned	1.08%	0.78%
29.08.2017	Cash	Bonus	21,26,657	10	NIL	-	31.18%	22.75%
30.08.2017	Cash	Transfer to Mercy Murugan	(2)	10	10	-	Negligible	0.00%
<b>Total (C)</b>			<b>22,73,321</b>			-	<b>33.33%</b>	<b>24.32%</b>
<b>Total A + B + C</b>			<b>68,19,994</b>			-	<b>99.99%</b>	<b>72.96%</b>

## 5. Details of Promoters' contribution locked in for three years:

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

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post issue Equity Share capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified above.

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Face Value	Issue Price/Acquisition Price/ Transfer Prices	Percentage Pre-Issue paid up capital	Percentage Post-issue paid up capital
<b>a) Mr. R Prakash</b>							
29.08.2017	Cash	Bonus	6,23,100	10	NIL	9.14%	6.67%
<b>Total (A)</b>			<b>6,23,100</b>	<b>-</b>	<b>-</b>	<b>9.14%</b>	<b>6.67%</b>
<b>b) Mr. A Omer Sheriff</b>							
29.08.2017	Cash	Bonus	6,23,100	10	NIL	9.14%	6.66%
<b>Total (B)</b>			<b>6,23,100</b>	<b>-</b>	<b>-</b>	<b>9.14%</b>	<b>6.66%</b>
<b>c) Ms. Vimla Thomas</b>							
29.08.2017	Cash	Bonus	6,23,100	10	NIL	9.14%	6.66%
<b>Total (C)</b>			<b>6,23,100</b>	<b>-</b>	<b>-</b>	<b>9.14%</b>	<b>6.67%</b>
<b>Total(A+B+C)</b>			<b>18,69,300</b>	<b>-</b>	<b>-</b>	<b>27.42%</b>	<b>20.00%</b>

For details on the build-up of the Equity Share capital held by our Promoters, refer *Capital Build-up of "our Promoters"* on page 120 of this Draft Red Herring Prospectus.

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

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

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

## **6. Details of Equity Shares locked-in for one year**

In addition to minimum 20.00% of the Post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

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

Our Promoters have confirmed to the Company and the Book Running Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

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

## 7. Shareholding pattern of our Company:

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

Category (I)	Category of shareholder (II)	Nos. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly Paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. Shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total No of Shares (calculate as per SCRR, 1957) As a % of (A+B+C 2) (VIII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2) (XI) = (VII) + (X)	Number of Locked in Shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total (XIV) as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares Held (b)	
								Class: Equity	Class: preference	Total								
(A)	Promoter	7	6,820,000	-	-	6,820,000	100	6,820,000	-	6,820,000	100	-	100	-	-	-	-	-
(B)	Promoter Group											-		-	-	-	-	-
(B)	Public											-		-	-	-	-	-
(D)	Non-Promoter/ Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>6,820,000</b>	<b>-</b>	<b>-</b>	<b>6,820,000</b>	<b>100</b>	<b>6,820,000</b>	<b>-</b>	<b>6,820,000</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

B. Shareholding of Promoter and Promoter Group:

Sr. No.	Name of the Shareholder	Pre-Issue		Post-Issue		Shares pledged or otherwise encumbered		
		No. of Equity Shares	As a % of Issued Share Capital	No. of Equity Shares	As a % of Issued Share Capital	Number	As a percentage	As a % of grand Total
<b>A</b>	<b>Promoters</b>							
1	R. Prakash	22,73,352	33.33%	22,73,352	24.32%	-	-	-
2	Vimla Thomas	22,73,321	33.33%	22,73,321	24.32%	-	-	-
3	A. Omer Sheriff	22,73,321	33.33%	22,73,321	24.32%	-	-	-
	<b>Total (A)</b>	<b>68,19,994</b>	<b>99.99%</b>	<b>68,19,994</b>	<b>72.96%</b>	<b>Nil</b>	<b>-</b>	<b>Nil</b>
<b>B</b>	<b>Promoter Group, Relatives and other Associates</b>							
1	Vijayapriya	1	Negligible	1	Negligible	-	-	-
2	M Seemati	1	Negligible	1	Negligible	-	-	-
3	A Sultan Hameed	2	Negligible	2	Negligible	-	-	-
4	Mercy Murugan	2	Negligible	2	Negligible	-	-	-
	<b>Total (B)</b>	<b>6</b>	<b>00.01%</b>	<b>6</b>	<b>Negligible</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>68,20,000</b>	<b>100.00%</b>	<b>68,20,000</b>	<b>72.96%</b>	<b>-</b>	<b>-</b>	<b>-</b>

C. Shareholding Pattern of the persons belonging to the Category “Public”:

There are no Public Shareholders in the Company as on date.

D. There has been neither subscription nor sale or purchase of the securities of our company within 3 years preceding the date of filing of this DRHP by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-issue share capital of our company.

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

Name of the Promoter	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Mr. R Prakash	22,73,352	0.65
Mr. A. Omer Sheriff	22,73,321	0.65
Ms. Vimla Thomas	22,73,321	0.65

9. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as set forth below:

Name of the Director	No. of Equity Shares held	Pre-Issue percentage of Shareholding
Mr. R Prakash	22,73,352	33.33%
Mr. A. Omer Sheriff	22,73,321	33.33%
Ms. Vimla Thomas	22,73,321	33.33%
<b>TOTAL</b>	<b>68,20,000</b>	<b>99.99%</b>

#### 10. Equity Shares held by top ten shareholders:

(a) Our Company has only 7 shareholders and the number of Equity Shares held by them as on date of this Draft Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of shares	Percentage age of pre-Issue capital
1	R Prakash	22,73,352	33.33%
2	A. Omer Sheriff	22,73,321	33.33%
3	Vimla Thomas	22,73,321	33.33%
4	Vijayapriya	1	Negligible
5	M Seemati	1	Negligible
6	A Sultan Hameed	2	Negligible
7	Mercy Murugan	2	Negligible
	<b>Total</b>	<b>68,20,000</b>	<b>100.00%</b>

(b) Our Company has only 7 shareholders and the number of Equity Shares held by them ten days prior to the date of this Draft Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of shares	Percentage age of pre-Issue capital
1	Mr. R Prakash	22,73,352	33.33%
2	Mr. A. Omer Sheriff	22,73,321	33.33%
3	Ms. Vimla Thomas	22,73,321	33.33%
4	Vijayapriya	1	Negligible
5	M Seemati	1	Negligible
6	A Sultan Hameed	2	Negligible
7	Mercy Murugan	2	Negligible
	<b>Total</b>	<b>68,20,000</b>	<b>100.00%</b>

(c) Our Company has only 3 shareholders and the number of Equity Shares held by them two years prior to date of this Draft Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of shares	Percentage age of pre-Issue capital
1	Mr. R Prakash	1,46,668	33.34%
2	Mr. A. Omer Sheriff	1,46,666	33.33%
3	Ms. Vimla Thomas	1,46,666	33.33%
	<b>Total</b>	<b>4,40,000</b>	<b>100.00%</b>

11. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Book Running Lead Manager for purchase of Equity Shares offered through this Draft Red Herring Prospectus.

12. Our Company has not raised any bridge loans against the proceeds of this Issue.

13. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.

14. As on the date of this DRHP, none of the shares held by our Promoters/Promoter Group are pledged with any Financial Institutions or Banks or Any third party as security for repayment of Loans.

15. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "Basis of Allotment" on page 188 of this Draft Red Herring Prospectus.

16. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up.

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

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

19. As on date of filing of this Draft Red Herring Prospectus, the entire issued share capital of our Company is fully paid-up.

20. On the date of filing this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

21. Our Company has not issued any Equity Shares out of revaluation reserves or any bonus shares have been issued out of capitalization of revaluation reserves.

22. Book Running Lead Manager to the Issue viz. Mark Corporate Advisors Private Limited does not hold any Equity Shares of our Company.

23. Our Company has not revalued its assets since incorporation.

24. Our Company has not made any public issue since incorporation.

25. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.

26. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed.

27. Except as disclosed in this Draft Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

28. At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.

29. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Shares Based Employee Benefits) Regulations, 2014.

30. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

31. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

32. Our Company has Seven (7) members as on the date of filing of this Draft Red Herring Prospectus.

33. The Issue is being made through Book Built Issue Method.

34. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Prospectus. However, company has issued 63,80,000 equity shares as Bonus on August 29, 2017.

35. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.

## OBJECTS OF THE ISSUE

### Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] lakhs ('Net Proceeds')

We intend to utilize the Net Proceeds towards the following objects:

1. Capital Expenditure for Business Expansion;
2. Funding the working capital requirements of the Company;
3. General Corporate Purpose.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association. Also, we believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

### ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

(₹ In Lakhs)	
Particulars	Amount *
Gross Proceeds from the Issue	[●]*
(Less) Issue related expenses	108.00
<b>Net Proceeds</b>	<b>[●]*</b>

*\*To be finalised on determination of Issue Price*

### UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in the following table :

(₹ In Lakhs)		
Sr.No.	Particulars	Estimated Amount*
1.	Capital Expenditure for Business Expansion	342.54
2.	Funding the working capital requirements of the Company	501.46
3.	General Corporate Purpose*	[●]
Total		[●]*

*\*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC*

### SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of Implementation and deployment of funds set forth in the table below. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

(₹ In Lakhs)			
Activity	Amount to be funded from the (Net Proceeds)	Estimated Utilisation of Net Proceeds (FY 2017-2018)	Estimated Utilisation of Net Proceeds (FY 2018-2019)
Capital Expenditure for Business Expansion	342.54	98.99	243.55
Funding the working capital requirements of the Company	501.46	-	501.46
General corporate purposes <sup>(1)</sup>	[●]	[●]	[●]
Total	[●]	[●]	[●]

<sup>(1)</sup>*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC*

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

## MEANS OF FINANCE

Entire Capital Expenditure for business expansion and significant part of the working capital requirements will be met through Net Proceeds of the issue.

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

## APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. The actual costs would depend upon the negotiated prices with the suppliers/contractors and may vary from the above estimates. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

## DETAILS OF THE OBJECTS

### 1. Capital Expenditure for Business Expansion

Considering the increased volume of work which is expected to emanate in the coming months, our Company proposes to create necessary infrastructure for efficient execution of works. Our Company intends to add about 115 work stations and also incur corresponding capital expenditure towards computers, servers, printers, scanners, projectors and security features like access controls, CCTVs, fire alarms etc. We also intend to carry out interior decoration works like false flooring, false ceiling, carpets, curtains, blinds, light fittings, storage cabinets, glass partitions, etc. Details of capital expenditure planned are given below:

(₹ in lacs)

Particulars	Nos	Amount
Workstations, drawers, Laminated Colour Glass and CPU Trolleys	150.00	23.04
Computer Systems - Dell Optiplex 7050 MT	115.00	113.31
Software Licences - Adobe Creative Cloud for Enterprises (all apps)	115.00	91.26
Storage Units, Meeting Room Tables, Manager Cabin Tables and Storage	Lump sum	5.75
Servers, Storage, Firewalls, Switches, Backups, RF and WiFi	Lump sum	27.35
Interior fit outs, civil work, electrical and plmbing, HVAC, networking and architect fees	Lump sum	60.87
Fire Alarm / Access Control/Biometric devices, printers, scanners, EPABX etc.	Lump sum	20.96
<b>Total</b>		<b>342.54</b>

## 2. Funding of Working Capital

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and whenever required short term loans are taken from one of the banks against the deposits of the company.

Our Company's existing working capital requirement and funding on the basis of Restated standalone Financial Information as of March 31, 2016 and March 31, 2017:

### Basis of estimation of working capital requirement

Particulars	As at 31.03.2016 (Audited and Restated)	As at 31.03.2017 (Audited and Restated)	As at 31.03.2018 (Estimates)	As at 31.03.2019 (Projected)
<b>Current Assets</b>				
Trade Receivables	116.80	130.14	290.11	406.16
Cash & Cash Equivalents	289.27	411.24	418.42	795.63
Short Term Loans and Advances	85.39	111.51	125.00	150.00
Other Financial Assets	22.50	35.59	112.53	141.54
Other Current Assets	-	-	50.00	120.00
	<b>513.96</b>	<b>688.47</b>	<b>996.06</b>	<b>1613.33</b>
<b>Current Liabilities</b>				
Short Term Borrowings	40.06	-	54.00	-
Trade Payables	12.38	10.81	20.00	30.00
Other Current Liabilities	44.37	85.98	99.98	169.73
Short Term Provisions	84.82		10.00	15.00
	<b>141.57</b>	<b>96.79</b>	<b>129.98</b>	<b>214.73</b>
<b>Working Capital Gap</b>	372.39	591.68	866.18	1398.60
Incremental Working Capital without considering IPO Net issue proceeds (FY 2017-18)*	NA	NA	<b>274.50</b>	<b>NA</b>
Incremental Working Capital (FY 2018-19)				<b>532.42</b>
<b>Funding Pattern</b>				
Funding through owned funds/Internal Accruals/Borrowings	372.39	591.68	274.50	30.96
<b>Working Capital funding through IPO proceeds to be utilized</b>			-	<b>501.46</b>

\*As the IPO net issue proceeds are expected to be available only towards the end of FY 2017-18, the Company will be able to utilize the IPO proceeds towards its working capital requirements only in FY 2018-19

### Notes on Incremental working capital for the FYs 2017-18 and 2018-19

Assets- Current Assets	
<b>Trade receivables</b>	We have assumed Trade Receivable level of 2 months in 2017-18 and 2018-19 as against 1.17 months in FY 2016-17. To increase the volume of operations the company has been adding and will add a number of new clients and as a business promotion measure, in the initial years of relationship with these new clients, the Company will be offering liberal credit periods. Further, the company has commenced offering services in the 2D animation segment from the 3 <sup>rd</sup> quarter of FY 2017-18 only and in order to attract more business the Company has been offering extended credit period to its

	customers.
<b>Cash &amp; Cash Equivalents</b>	As the IPO net issue proceeds are expected to be available only towards the end of FY 2017-18, the Company will be able to utilize the IPO proceeds towards its working capital requirements only in FY 2018-19
<b>Short Term Loans and Advances</b>	This represents prepaid expenditure and various other advances and marginal increases were considered for the FYs 2017-18 and 2018-19 over the previous years
<b>Other Financial Assets</b>	Unbilled revenues and rental advances represent these assets. Unbilled revenues of Graphic Design division are reckoned at 0.50 months turnover for FY 2017-18 and FY 2018-19 whereas it was 0.12 months for FY 2016-17.
<b>Other Current Assets</b>	Work-in-progress of animation is grouped under this asset head. As the company had recently started animation division, at present, it takes a reasonable time for the company to obtain all the quality approvals from the vendor and 3 months of animation division revenues are considered as work-in-progress. This period would be brought down in the subsequent periods.
<b>Liabilities– Current Liabilities</b>	
<b>Other Current Liabilities</b>	Other Current Liabilities representing outstanding amounts of all the expenditure (employee costs and other benefits, administration and other expenditure) was 1.81 months for the FY 2015-16 and 1.06 months for FY 25016-17. For the FYs 2017-18 and 2018-19, 0.87 months of total expenditure is considered.

### 3.General Corporate Purpose

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

- ❖ strategic initiatives
- ❖ brand building and strengthening of marketing activities; and
- ❖ On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

### **ISSUE RELATED EXPENSES**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are approximately ₹ 108.00 lakhs. Breakup information is provided below

<b>Expenses</b>	<b>Expenses (₹ Lakhs)*</b>	<b>In</b>	<b>Expenses (% of total Issue expenses)</b>	<b>Expenses (% of Gross Issue Proceeds)</b>
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.		[*]	[*]	[*]
Regulatory fees		[*]	[*]	[*]

Marketing and Other Expenses **	[*]	[*]	[*]
<b>Total estimated Issue expenses</b>	<b>108.00</b>	<b>[●]</b>	<b>[●]</b>

*\*As on date of the Draft Red Herring Prospectus, our Company has incurred ₹ [●] Lakhs towards Issue Expenses out of internal accruals.*

\*\*SCSBs will be entitled to a processing fee of ₹. [●]/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment. Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be [●] % on the Allotment Amount or ₹ [●]/- whichever is less on the Applications wherein shares are allotted. The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

## DETAILS OF FUNDS ALREADY DEPLOYED TILL DATE AND ITS SOURCE

The Funds deployed upto January 31,2018 is Rs.11.64 Lacs pursuant to the objects of this Issue as certified by the auditor of the Company, M/s RamRaj & Co., Chartered Accountants vide certificate dated January 31,2018.The said amount has been met by the Company from its internal accruals and the same will be adjusted against the issue proceeds.

## BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance project requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

## INTERIM USE OF FUNDS

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

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

## MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs 10,000 lakhs in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

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

## VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the —Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall

simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

Part of the proceeds of the Issue Proceeds will be paid by us to the Promoters and Promoter Group in the normal course of business and in compliance with the applicable law. Except that no part of the issue proceeds will be paid by us to the Promoters and Promoter , the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

Investors should read the following basis with the “Risk Factors” beginning on page 11 and the details about the “Our Business” and its “Financial Information” included in this Draft Red Herring Prospectus on page 88 & 128 respectively to get a more informed view before making any investment decisions.

### Qualitative Factors

Some of the qualitative factors which may form the basis for computing the Issue Price include the following:

1. Experienced Management team
2. Quality assurance and standards
3. Leveraging our market skills and relationships
4. Strong marketing capacity
5. Established relationship with various brands, customers and employees

For further details, please refer chapter titled “Our Business” and “Risk Factors” on pages 88 and 13 of this Draft Red Herring Prospectus, respectively.

### Quantitative Factors

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

#### 2. Basic Earnings and Diluted Earnings Per Equity Share (EPS) as per Accounting Standard 20

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2015	1.24	1
March 31, 2016	2.91	2
March 31, 2017	3.57	3
<b>Weighted Average</b>	<b>2.97</b>	<b>6</b>

#### Notes:

- i. The Figures disclosed above are based on the restated financial statements of the Company.
- ii. The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹10/-
- iii. The above ratios should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements.

#### 3. Price / Earnings Ratio (P/E) in relation to the Issue Price of ₹[•]

Particulars	PE Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2016-17	[*]
P/E ratio based on the Weighted Average EPS, as restated	[*]

#### Industry PE\*:

Industry P/E –	PE Ratio
Highest	N.A
Lowest	N.A
Average of Highest and Lowest	N.A

\* We believe that there are no listed Companies engaged solely in our business segment.

#### 4. Return on Net Worth

Period	RONW (%)	Weight
March 31, 2015	28.15%	1
March 31, 2016	39.86%	2
March 31, 2017	32.80%	3
<b>Weighted Average</b>	<b>34.38%</b>	<b>6</b>

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Networth (as restated)*

#### 5. Minimum return on post Issue Net Worth to maintain the Pre-issue EPS for the year ended March 31, 2017 – [•]%.

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

S. No.	Particulars	(₹)
a)	As on March 31, 2017	168.66
b)	NAV as on September 30, 2017	12.64
c)	After Issue	[*]
d)	Issue Price	[*]

*Note: NAV has been calculated as restated net worth divided by number of Equity Shares at the end of the year*

#### 7. Peer Group Comparison of Accounting Ratios:

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

#### 8. The Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ [•] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the “Risk Factors” on page 13 and “Financial Information” on page 128 including important profitability and return ratios, as set out in the Auditors’ Report in this Draft Red Herring Prospectus to have more informed view about the investment proposition.

**STATEMENT OF TAX BENEFITS**

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

To,  
The Board of Directors  
Inscribe Graphics Limited  
174 Developed Plots  
Industrial Plots  
Perungudi, Chennai - 600096

Dear Sir,

**Subject: Statement of possible tax benefits ('the Statement') available to [\*] ('the Company') and its shareholders prepared in accordance with the requirement in SCHEDULE VIII – CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulation')**

We hereby report that the enclosed annexure prepared by the Company, states the possible special Tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 proposed initial public offering of equity shares ("the Offer") by the Company.

We do not express any opinion or provide any assurance as to whether: a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or b) The conditions prescribed for availing the benefits have been / would be met with. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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 Offer, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Ramraj & Co.**  
Chartered Accountants  
Firm Registration No. 002839S

**Amarnatha Reddy**  
Partner  
**M. No. 213102**  
Date: January 31,2018  
Place:Chennai

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO TASTY DAIRY SPECIALITIES LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

**I. SPECIAL TAX BENEFITS**

**A) SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special tax benefits available to the Company.

**B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

There are no special tax benefits available to the shareholders of the Company.

Notes:

1. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the Assessment Year 2018-19. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. 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

**SECTION IV- ABOUT OUR COMPANY**

**OUR INDUSTRY**

*(The information in this chapter, pertaining to Graphics Designing Industry has been extracted from an industry report entitled “Pramartha Report – Analysis of Graphic Design Industry in India and US” prepared by Prammartha Research and Analytics which is a division of Prammartha Investment Partners, Bangalore. This Industry Report has been specifically prepared for us by Prammartha Investment Partners. Information pertaining to Animation industry has been extracted from one of the publicly available documents viz. ‘KPMG India- FICCI, Indian Media and Entertainment Industry Report 2017’. These data have not been prepared or independently verified by us or the Book Running Lead Manager or any of their or our respective affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” on page 13 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information)*

**GRAPHICS DESIGNING**

**Printing Industry**

Graphics Designing is a subset of printing industry. The figure give below presents information on the market size of the global printing industry market in 2017, broken down by product. The Addressable Print market was valued at 255 billion U.S. dollars and represented about 51 percent of the global printing industry market. Digital Marketing was valued at 148 billion U.S. dollars and represented about 30 percent of the global printing industry market. Data Marketing Services was pegged at 102 billion U.S. dollars and represented about 19 percent of the global printing industry market.

**Market size and forecast**

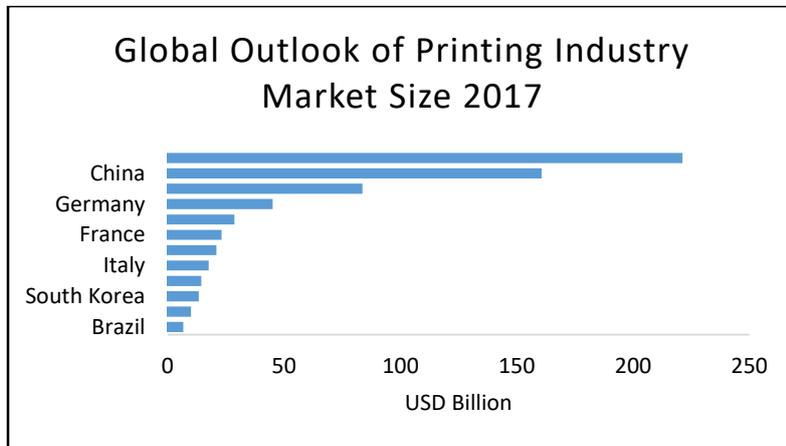


The Future of Global Printing to 2022 shows that the worldwide print industry remains in a stage of transition. The overall value will increase to \$814.5 billion in 2022. The rate of change and future profitability vary across many criteria – print process, substrate, end-use application and geographic region. Significant market opportunities do remain, especially in packaging print, and those segments where print service providers can adapt to delivering higher value, shorter run work. (Source: <https://www.smitherspira.com/industry-market-reports/printing/the-future-of-global-printing-to-2022>)

**Global Printing Industry** - The global printing industry is forecast to reach \$805 billion by 2018. It is primarily driven by growth in packaging, labels and digital. The USA is the world's biggest print market, but the printing future landscape will change within the next five years, forecasts The Future of Global Printing to

2018. In the year 2017, the global printing industry market in US reached \$220 billion USD. China will overtake the United States in print volume terms after many years of very strong growth across all areas of print and in constant value terms in 2018. In the year 2017, the global printing industry market in China reached \$160 billion USD. India will move up from tenth to fifth in the period. India's global printing industry market capped \$20 billion USD in 2017. Mexico and Brazil which has global printing industry market at \$13 billion USD, \$6 billion USD in 2017 respectively, will move up the tables with the mature markets. These relative changes are important for print supply companies as they demonstrate where the consumable volumes and appetite for investment continue to lie.

**Chart Depicting Global Outlook of Printing Industry market size in 2017**



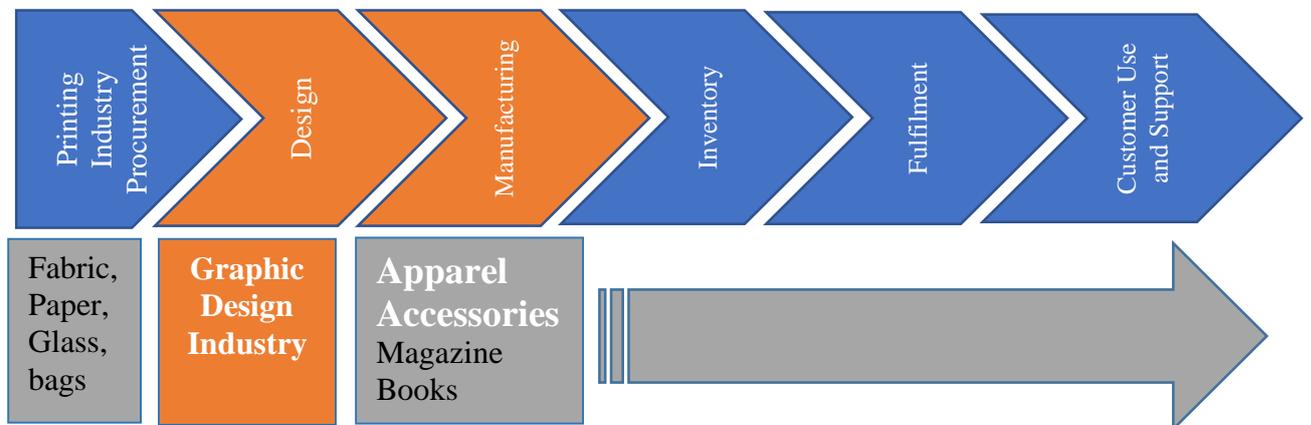
Source: Pramatha

**Graphics Designing Industry** Graphics Designing Industry can be viewed as complementary industry of print industry and primarily serving apparel industry. Graphics Designing Industry primarily targets designing of graphics for sportswear, apparel, promotional products and accessories. As complementary industry, Graphics Designing Industry's growth is tied up with growth of Printing and Apparel and Accessories Industry. The outlook and growth of Graphics Designing Industry is brighter as

Graphics Designing Industry is complemented by growth of Printing and Apparel and Accessories Industry growth.

Graphics Designing Industry is penetrating existing Apparel and Accessories Industry by replacing traditional design and artwork of Apparel and Accessories.

**Mapping Graphics Designing Industry in Printing Industry value chain**



Source: Pramatha

The term "value chain" was coined by Harvard Business School professor Michael Porter in 1985 to describe the set of activities performed to design, produce, market, deliver, and support

Graphic Design Industry fits perfectly as an important element of Print Industry Value Chain and benefited by growth of Apparel and

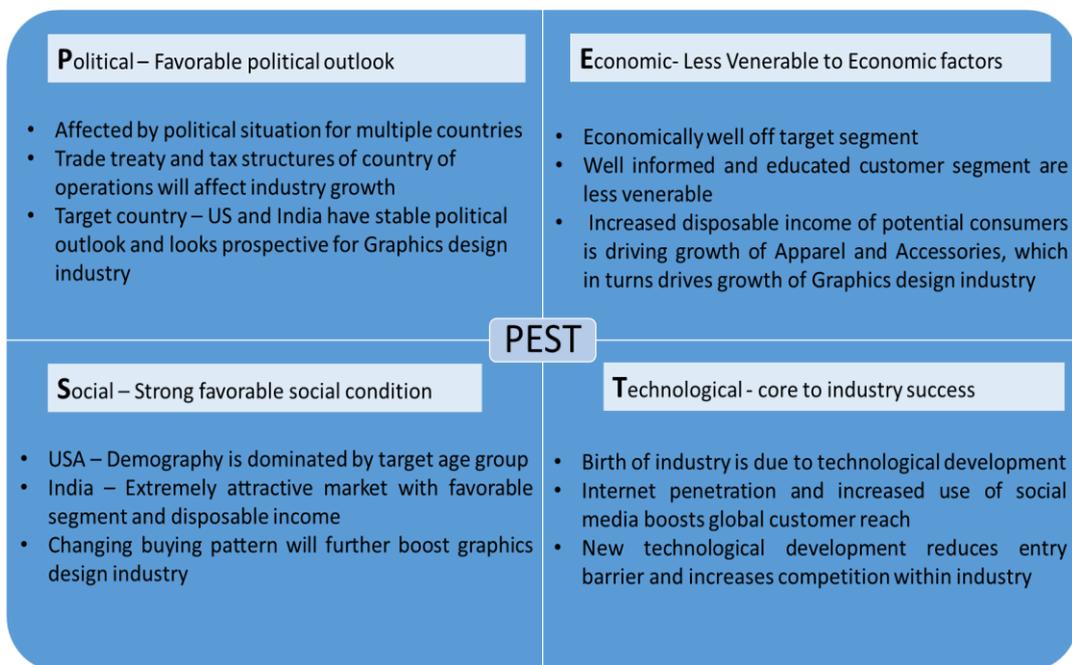
products. While a supply chain is oriented around the flow of inputs and outputs from raw materials to finished goods, a value chain is oriented around the generation of value for the customer, as defined by the customer. Supply chain efforts will tend toward integrating processes and improving efficiency in ways that incrementally reduce costs or risks for the company. Value chain restructuring in the context of this pattern, on the other hand, focuses on how new approaches might be used at each stage to meet evolving customer needs in significantly different ways to deliver greater value to the customer.

The printing industry value chain consists of procurement of the raw materials which is suitable for the specific set of markets like fabric, paper, glass, bags, gift items, and various other items. The major part of the printing industry effort goes in the graphic design. There are various firms specialized in only graphic designing. Some of the prominent firms which focus on Graphic designs are RR Donnelly, Quad/Graphics, in US, Cimpres N. V. in Netherlands, Pentagram in UK and MPS limited, Gala Print City in India.

The Graphic design is mainly performed for various Business to Business or Business to Customer markets. Most of the Business to Business markets focus on Books, Magazine and other print media which is a shrinking industry globally. However, another emerging industry due to growth of e-commerce is custom made apparels and accessories. These firms focus on designing for personalized designing based on both Business to Business and Business to customer markets. The current report mainly focuses on the Graphic Design Industry which fits perfectly as an important element of Print Industry Value Chain

**Political-Economic-Social-Technological (PEST) Analysis**

PEST (Political, Economic, Social and Technological) analysis is a method to analyze macroeconomic or external factors, which may affect the industry growth but not in control of business. Hence it is important that business should be ready for new opportunities and challenges. The current PEST analysis is focused on target market of US and India; however, this analysis is recommended for entry into any new market.



**Political Analysis** – As the graphics design industry operates globally, hence it is affected by political scenario of each country where it operates. With target market primarily in USA and India, the political situation is favorable for business. Outlook of USA is capitalistic, free market with customer first as strategy. On the other hand, India has stable political environment with improved image of ease of doing business. Dual taxation and other trade treaty etc. are favorable to internal trade.

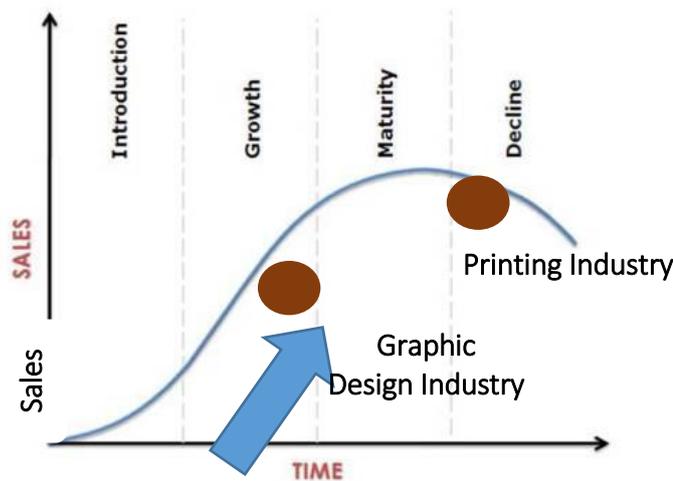
**Economic Analysis** – Economic outlook for USA and India is stable and prosperous. Graphics Design Industry operating in B2B scenario will be benefited with stable economy. Consumers (individuals/corporates) of graphics products, who generate demand for customer organization (say Apparel company), are well off middle and higher middle-class individuals and corporates and less venerable to changing economy. Also consumers

are buying with passion than regular need, hence economic factors such as inflation, taxation etc. will have limited effect on purchasing.

**Social Analysis** – Target consumers are of age group of 15-64 and they account for 66% of US population with 1:1 male: female ratio. Similarly, in India the median age of population is 27 years, 65% population will below 35 years of age by 2020. India has rapidly increasing urbanization with increased use of mobile and internet. Rapid growth of e-commerce and social media is increasing the horizon of globally located graphics design industry. Hence social conditions are extremely favorable for industry.

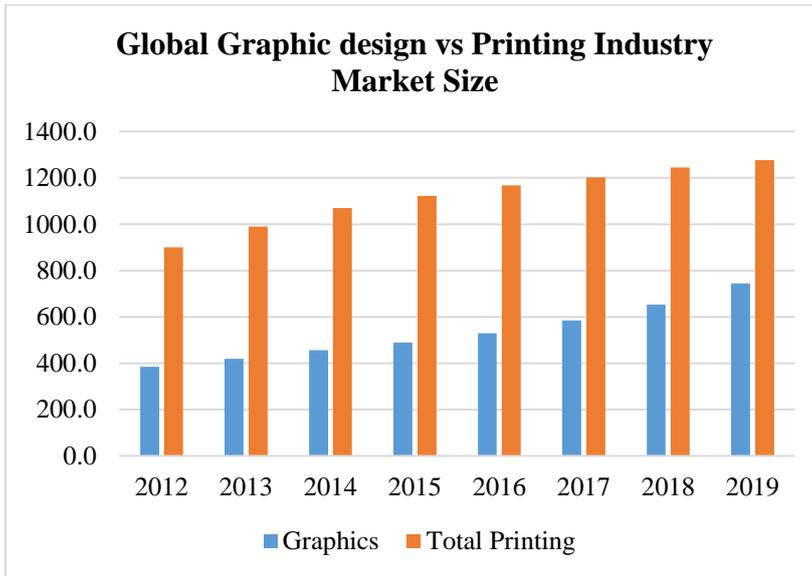
**Technological Analysis** – Technological development is core to global graphic design industry. Internet penetration and increased use of social media helps graphics design industry’s global reach. Information seeking customer are available on common platform such as social media, hence cost of customer acquisition reduces. Technological development helps to stay relevant in industry and optimize cost of production. However, new technological development also reduces entry barrier and increases competition within industry.

### 1.1 Industry Life Cycle



As mentioned earlier Graphics Designing Industry is a subset of overall printing industry. The traditional printing industry is mature phase as customers are switching in uni-direction from traditional printing to substitute form of media. The traditional printing industry is inversely proportional to Graphics Designing Industry, as Graphics Designing Industry is one of the substitute form of media, which is replacing traditional printing business. With increasing interest in sports, changing life style and increase in disposable income of middle and upper middle class of society, personalized graphics design is high in demand. The graphics design is not only creating its own space in industry but also growing on cost of traditional print industry. Overall the industry is in early stage of growth and it is likely to continue for next many years until challenged by new technological development and changed consumer behavior. The growth of industry is further fueled by favorable social and economic conditions of customer. In USA and India, with majority of population in young age with increasing disposable income and passion for sports, health and fitness- gives a bright outlook to graphics designing industry and assures growth of industry as whole.

**Market Size Estimate**

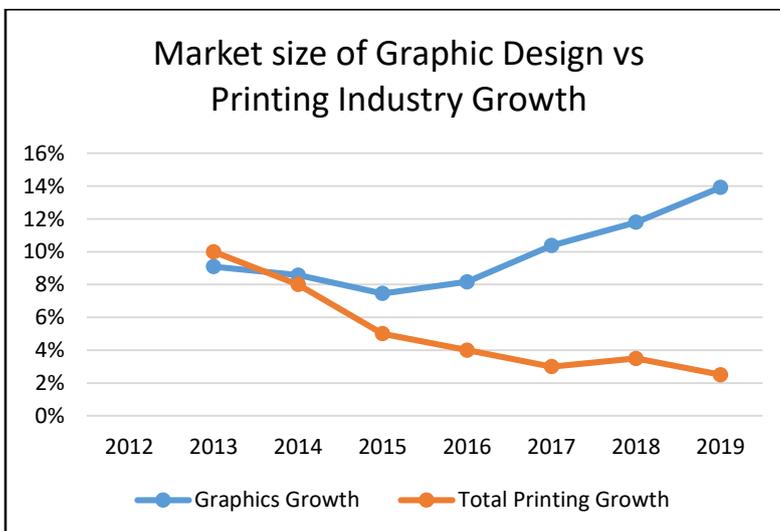


Source: Pramatha

The graphic design industry is a fast pace emerging market. With the advent of technology creative ideas can be put to task. Globally, the graphic design market is still evolving itself into a streamlined business. Social media websites which onboard eCommerce industries will benefit from the creative graphic design space. It is one of the quickest ways to reach out to a larger market segment.

The graph above shows us that the graphic design market trend is increasing in-line with the printing industry. From customizable fabrics, to bags, coffee mugs, stationaries, shoes, there is a non-exhaustive list of products that are creating a new market for graphic design and printing. The graph clearly captures this trend.

We observe that the graphic design industry saw a major uptick from the year 2014. The curve line has been constantly increasing ever-since and will continue as expected till 2020. Total Printing market observes a similar positive trend, but in the recent years the increase ratio has declined due to initiatives and social awareness of a “Go Green Environment”.



Source : Pramatha

Graphics design is yet to penetrate the major market players. The year 2013 saw an overall constant growth in the size of the graphic design industry. On the other hand, the printing industry market is diving down at an unexpected rate. Researchers say the bearish trend is due to digitalization and social awareness for a cleaner planet.

The year 2014 has been a drastic game changer for the printing industry wherein market size fell by over 40%. Ever-since then a bearish trend has been observed, the year 2017 saw a non-significant rise in the market penetration of the printing industry. The graphic design industry saw a slight downward trend in the year 2014 in-line with the drastic fall of printing industry market, thereafter the market size has kept increasing. This positive trend line associates the development of creative graphic design infused in a wide range of products to choose from. In the years to come, this industry would have acquired a major market share with the other sharks out there.

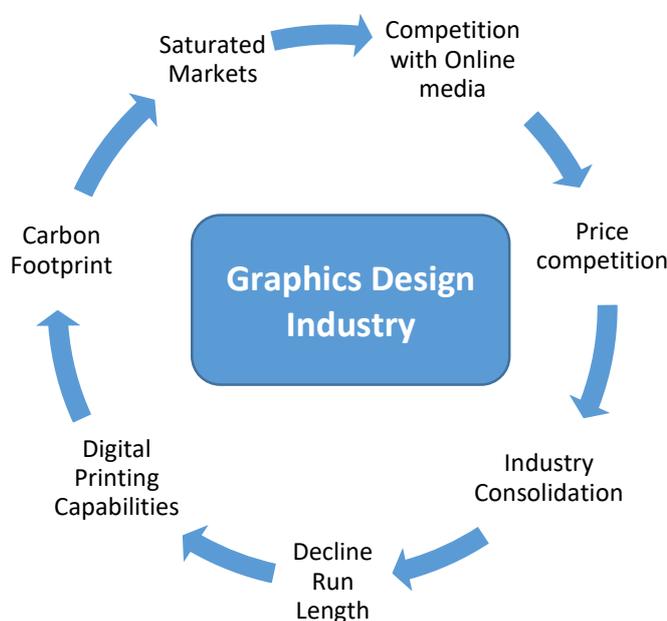
**Key Drivers of Industry**

Key Drivers of Change	Changing Client requirements
Shorter Product lifecycles	Faster turnaround
Fragmentation of consumer interests	More but smaller jobs
Tighter budgets	Increased Productivity
Global Targeted multimedia communication	Expanded services with web and print
Competition	Stronger Client relationship

The Key drivers of change in the industry are shorter product life cycles, fragmentation of consumer interests, tighter budgets, global targeted multimedia communication and competition. The changing client requirements are being addressed by faster turnaround time, more but smaller jobs, increased productivity, expanded services with web and print and stronger client relationship

The critical impacts to drive change in the Graphic Design industry are

- 8. Competition with online media
- 9. Price competition
- 10. Industry consolidation
- 11. Decline run length
- 12. Digital Printing Capabilities
- 13. Carbon Foot print
- 14. Saturated Markets



## Industry Level Analysis - Strength-Weakness-Opportunities-Threat (SWOT)

**SWOT** (Strength-Weakness-Opportunity-Threat) Analysis is a tool, which gives information about industry environment and resources. SWOT is an analysis of the Strength and Weaknesses present internally in the industry, coupled with Opportunities and Threats that organization faces externally. For an industry operating in multi geography, SWOT analysis should be performed independently for each geography as conditions for each geography may be different from other geography. Following SWOT analysis is focused on Graphics Designing Industry and primarily in USA.

<p><b>S</b> Strengths</p>	<ol style="list-style-type: none"> <li>1. Global market and reach</li> <li>2. Passionate and increasing consumer base driving business</li> <li>3. Benefitted by two industries – Printing and Apparel</li> <li>4. Benefitted by continuous development of technology and repeated business</li> </ol>
<p><b>W</b> Weaknesses</p>	<ol style="list-style-type: none"> <li>1. Short lifecycle of a customer</li> <li>2. Competition from low cost geography</li> <li>3. Small size order, hence continuous sales cycle</li> </ol>
<p><b>O</b> Opportunities</p>	<ol style="list-style-type: none"> <li>1. Opportunity to enter in new market globally</li> <li>2. Rapidly growing market &amp; segment</li> <li>3. Favorable demography &amp; social factors</li> <li>4. Low cost of customer acquisition</li> </ol>
<p><b>T</b> Threats</p>	<ol style="list-style-type: none"> <li>1. Low barrier of entry for new market entrants</li> <li>2. High bargaining power of customer</li> <li>3. Continuous technological development and options of substitutes product</li> </ol>

Source: Pramatha

**Strength-** One of major strength of Graphic Design Industry is easy access to customers located globally. It is also benefited with dynamic of 2 industries – Printing and Apparel. Loss to traditional printing industry is gain to Graphics Design Industry. Upswing of Apparel and Accessory Industry is further boosting Graphics Design Industry. Technological development is reducing the cost of production and customer acquisition.

**Weakness-** Life cycle of a customer for Graphics Design is short and the Graphics Design organization has to depend of repeated short orders rather than bulk annuity order. Also, a player in industry faces completion from all other company located in any part of world. Hence companies in low cost geography have upper hand in business.

**Opportunities** – Graphics Design Industry is at growth stage in Industry Life Cycle. It is benefited by favorable demography and social factors of target market. The target segment is not only promising but also growing. Internet penetration and social media is driving down the cost of operations. Hence industry looks attractive and a player can expand its horizon any geography

**Threats** – With ease of doing business and technological development, the barrier to enter in the industry is very low. Industry has diverse player such as branded designing organization, who are challenged by boutique shops and free lancers. Many players are providing platform to customers to access unlimited design by crowd sourcing free lancers. Hence customer have very high bargaining power. Therefore, established players are challenged from multiple sources and hence affecting operating margin.

**Industry Segmentation by Service offering**

Graphics design is a form of visual communication for long lasting impression. Although the graphics design serves all kinds of visual communication such as graphic of appeal, advertisement, banners etc. The graphics designing industry for this document is focused on graphics on Apparel and Accessories.

**1. Print Design –**

Print Design is creative form to transform ideas, concepts into long lasting visual and persuasive messages. The print design scope includes complete marketing collateral, visual identity, business stationery, signage, packaging, catalogs and publications. Marketing collateral covers brochures, flyers, newsletters, banners, posters, postcards, gift cards and more. Print design is in high demand with rising income of corporate and consumers. It is mostly used for personalization and exposure. Print design for apparel is most popular segment and accounts for more than 50% of print design.



**2. Embroidery Digitization**

Embroidery Digitization, as the name suggest, is the process of converting a piece of artwork into a stitches file, which can be read by embroidery machine and be reproduced on any garment. Digitization of embroidery is subject to compatibility of embroidery machines. Digitized embroidery designs can be reproduced on garments, bags, headwear, uniforms and various accessories. Embroidery Digitization can be achieved for namedrop, lettering and logos, 3D puff, chenille and motifs etc. The preference for digitizing has grown over the years due to the precision that is achieved in digital embroidery. It also helps to preserve old and traditional embroidery.



**3. Namedrop**

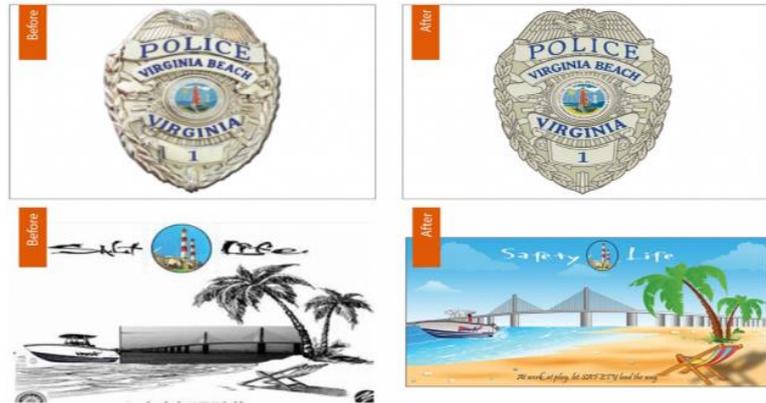
Namedrop communicates visual message with changes in effect such as change in management, sponsors or rebranding. Name drops retains the association of existing audience and works as catalyst to add more audience. It can be well defined as creation of vector artwork or digitized file in existing layout but changes in logo, color, icons, messaging etc. Retention of existing layout ensure family with existing brands whereas changes of various elements in layout conveys changes in organization. Target customer of Namedrops services includes custom decorating apparel companies whose end customer would be professional sports organization, resorts with changes in management, apparel companies providing personalized services



etc. Namedrops are used for various methods of imprinting or machine embroidered on a wide range of apparel, promotional products, headwear, sporting wear and accessories.

#### 4. Artwork

Artwork services targets to convert image of any quality to camera ready artwork. Such camera ready artwork will be for custom-decorating apparel manufactures, promotional products, accessories, custom gifts etc. Camera ready artwork is used for various methods of imprinting including silk screen printing, engraving, laser etching, debossing and embossing. Camera ready artwork is use for enamel art as well to produce unique and personalized design on wide range of apparel, promotional products, sporting wear, headgear and accessories etc. Various type of artwork includes - vector design, re-draws, namedrops, image editing, custom rhinestone designs, virtual embroidery and customer proofs etc. With increased penetration of handheld devices with internet - Online Artwork has integrated the global market where artwork of any creative organization is accessible to rest of the world. Online artwork has also penetrated to all sections of society rather than being trade mark of privileged class. A perfect replica of customer's defined artwork can be recreated in online artwork. Online artwork can be preserved forever.



#### 5. Digital Printing and Digital Direct -

Digital printing refers to methods of printing from a digital-based image directly to a variety of media such as apparel and accessory. It usually refers to professional printing where small-run jobs from desktop publishing and other digital sources are printed using large-format and/or high-volume laser or inkjet printers.



Digital Printing has many advantages: -

- Available for all file formats
- Brilliant print results
- Smooth surface thanks to dyed-in-fabric prints

#### 6. Direct to garment printing

is a process of printing on textiles and garments using specialized or modified ink jet technology. The three key requirements for a DTG printer are a way to hold the garment in a fixed position, an inkjet print head, and specialty inks (inkjet textile inks) that are applied to the textile directly by the print head and are absorbed by the garment's fibers.



#### 7. Thermo sublimation -

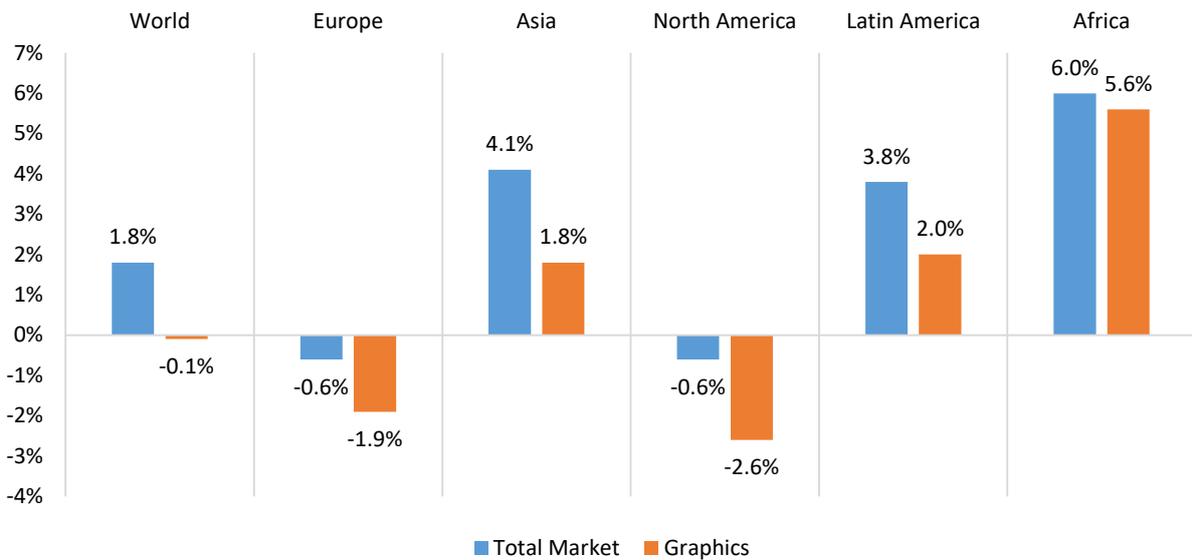
The design is initially printed on a transfer foil and then put onto the product by means of thermal evaporation.

- This is used to print on accessories like mugs and phone cases
- Available for all file formats
- Minimum resolution for pixel graphics: 400dpi
- The product's surface will be colorized



**Geographical Markets**

**Printing Market Dynamics by Regions**



Source: Pira Forecasts

Globally the printing market has a CAGR by value of 1.80% for the year 2013-2018. The PIRA forecasts positive global growth mainly due to dynamics of the Asian and Latin American markets.

The Europe, Middle East and North America printing markets are slightly declining during the phase. Europe observes a negative growth during the period 2013-2018, with a CAGR by value of -0.60%. Similarly, the North American region has a negative growth during the period 2013-2018, -0.60% CAGR by value. On the other hand, Asia sees a growth with 4.10% CAGR by value, and Latin America too, with a 3.80% CAGR by value.

Graphics market are losing heavily in Western Europe and US. Europe has a -1.90% CAGR by value and North America stands lowest at -2.80% CAGR by value. Asian and Latin American regions are constantly increasing with a growth rate of 1.8% and 2.00% CAGR by value respectively. Africa shows the largest growth rate of 6.0% and 5.6% CAGR by value for the printing and graphic industry respectively. Graphics are graduating from a content trend to a marketing tool that drives measurable results.

Digital graphic design has never been as influential as it is today. As a marketing tool, high-quality graphic design defines your brand, differentiates it from others, and elicits responses more effectively than text. For instance, Instagram use is growing steadily faster than Facebook, and the rise of DIY graphics tools are at an all-time high. Graphic design involves using both graphics and text to convey a concept or idea. The graphic design industry includes many activities, including corporate identity/branding, advertising, print production, and web design. Graphic designers create logos, posters, newsletters, brochures, signs, and other forms of visual communication. Companies in this industry plan, design, and manage the production of visual communications involving graphic art and illustrations. No major companies dominate the industry. Regional economic activity drives demand, because most graphic design firms are small and work locally. The profitability of individual companies depends on accurate bidding, timely delivery of projects, and a steady volume of work. Large companies have advantages in marketing and sales, breadth of services, delivery of complex projects, and supporting ongoing contracts. Small companies can compete effectively by responding more quickly, adopting new trends, and specializing by services or markets.

A study on Graphic Design Industry predicts a Revenue worth a total of \$11 billion in the year 2017-2018, with worldwide annual growth: 3.0% (2012-2017), Revenue to reach \$62bn and Businesses acquired would reach

386,609 in number by 2017. Potential customers could be corporate clients, advertising agencies, consumer products packaging market and publishers.

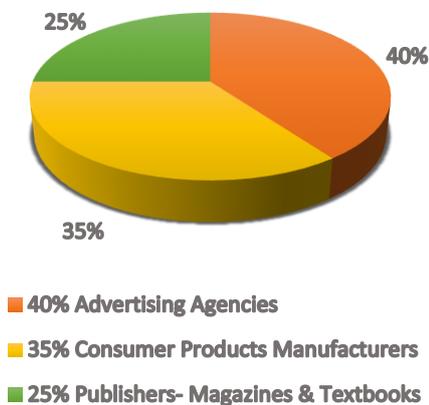
**Demographics**

Currently, according to IBIS World, advertising agencies are the largest customer for graphic design services and make up about 40% of the industry’s revenue. This segment can include independent advertising agencies or in-house advertising departments, and the art work can be displayed on TV, through print, or on the Internet.

The second largest market is the products packaging segment, which accumulates around 35% of the revenue. Graphic designers in this segment are constantly creating labels in response to social, sporting or musical events depending on the product and their target market. Since most of these events are for a limited time frame, the product turnaround time and delivery times must be quick. As such, this market segment has higher barriers to market entry than the industry and is generally performed by large, service integrated companies.

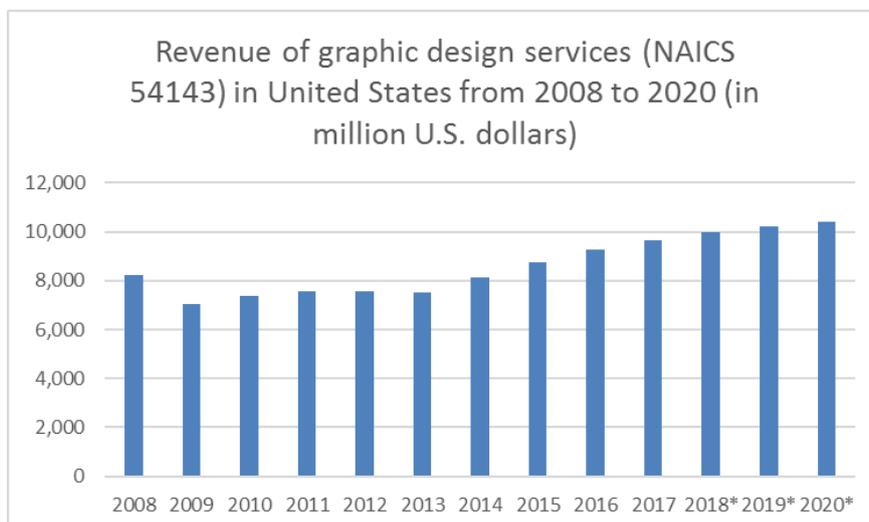
The third and final major market is the magazine and textbook publishing industry, which provides 25% of graphic design revenue. Designers may be employed by publishers to use computer software to create and modify designs, which will be published on books, magazines, and newspapers.

**Demographic market revenue for graphic design services**



**USA**

In 2016, the federal government spent a total of \$32,165,422 on Graphic Designers. It has awarded 713 contracts to 217 companies, with an average value of \$148,228 per company.

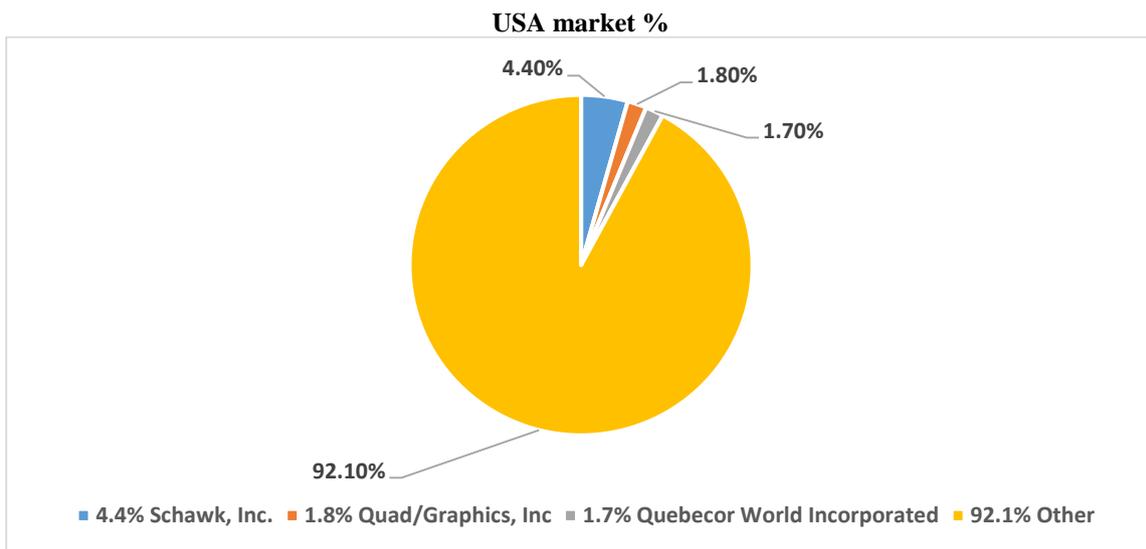


**Sources:** Statista; US Census Bureau

According to Hoovers, Inc, “The US graphic design services industry includes about 16,000 companies with combined annual revenue of \$8 billion. No major companies dominate the industry, which is highly fragmented: the 50 largest firms account for less than 20 percent of overall revenue.”

One of the major players in the industry is Schawk Inc.<sup>2</sup> In 2008 the company’s annual revenue was \$494.2 million and currently has 48 offices worldwide, including the U.S., Canada, Mexico, Europe, and Asia Pacific. The company provides services to various clients whether they may be small or large. Their services are composed of three categories strategic, creative, and executional. For instance, they offer brand design, creative retouching, 3D visualization, color management and more. Presently the Company accounts for about 5% of the Graphic Design Services industry.

**Graphic design industry in USA**



The next major competitor is Quad/Graphics Inc. which is the leading company in the world of print. The company employs 11,000 people and earns \$2 billion in annual sales. The business prints magazines, direct mail, catalogues and various other items. According to IBIS’s report, “It offers a full range of services, including design, photography, desktop production, printing, binding, wrapping and distribution. The company prints catalogs for clients such as Bloomingdale’s and Victoria’s Secret, as well as periodicals such as People, Newsweek, and Sports Illustrated.” Even though the company offers a variety of services to well known clients, IBISWorld mentions that Quad/Graphics has a market share of about 2%.

Quebecor World Inc. (now acquired by Quad Graphics) holds its global presence as the largest commercial printers. The company has about 20,000 employees in around 90 locations in the U.S., Canada, Argentina, Brazil, Columbia, Chile, Peru and Mexico. The company is composed of printing services for magazine, directories, and book publishers. They also account for their own team of graphic designers to create and develop images way before the printing is actually done.

**India**

The Indian graphic and communication design industry is on the rise. There is an increasing need for graphic communication in the modern day commercial activities. With the growth in services like printing, advertising, book publishing, film, FMCG, consumer durables, etc., the graphic and communication design industry is expected to grow. With growth expected in this field, there is also a huge manpower requirement. According to rough estimates, the estimated manpower required stands at around ten thousand industrial and communication

designers per annum as against current availability of only three thousand designers. From our survey, out of the total number of designers working in the country, this discipline accounts for 1.72%.

Graphics design is 20% of overall design market. Printing in India may be growing at 40% but the point to be noted is the capacity of the print has grown a lot more. India is one of the few markets in the world which offers high prospects for growth and earning potential in printing industry.

The potential market for Industrial Design in India is pegged at approximately INR 50 billion (USD 859 million) and by 2020, it is expected to grow to INR 110 billion (USD 1.88 billion). The graphic, communication and packaging design industry potential is INR 56.2 billion (USD 965 million).

## Competitive Landscape

### Industry Level Analysis - Forces driving industry competitions

Graphics Designing industry caters to the demand of customized printing for sportswear, wide range of apparel, promotional products, accessories etc. The industry gaining popularity and increasing penetration with every single day passing. With the increased penetration of social media and internet, global market is integrated, and customers can be served from any part of the world. Mode of service delivery is virtually free with help of internet. The industry being Trendy & Stylish is driven by increased disposable income to customer, people are moving towards customized sportswear and personalized merchandizing. With expanding e-commerce in corners of world, sales channels are Omni present, making industry more attractive. Growth of industry is directly proportional to growth of international market of sports and health and fitness. With increasing popularity of sports and changing sports patterns such as IPL or T20 cricket matches in India; personalized graphics design is high in demand.



However, with industry looking attractive, it is highly competitive and following factors are affecting the industry competitions

**Threat to rival** – with industry being highly fragmented, it is difficult to build a established brand. Hence it is easy for a customer to reach out rival organization, which many serve the customer with same or lower cost. Also it is difficult to differential from competitors as there are many players catering to same customer base and very low customer loyalty. There is virtually zero cost for customer to switch and avail services from rival designing player.

**The bargaining power of customers** – Customers constant demand of new, latest design, cheaper product and option to substitute by other products – makes industry less attractive. Moreover, all the competitors are present on same sales channel - such as multiple designing company can be found in google search. Therefore, it is easy for a customer to switch to other service provider, with higher bargaining power.

**The bargaining power of supplier** – Often graphic design company get order from many of the marketing, advertisement agency or even fashion houses. All these organizations have many options to look for graphic

designer. Hence a fashion house is better placed to bargain with graphic designing company and leading to poor bargaining strength of graphic designer. A small boutique firm of graphics design will have challenge of getting new customer each time. Hence it must depend on fashion houses or marketing agencies to receive new orders. Alternatively, a graphics design company needs to have large customer base to have continuous order flow.

**Threat of substitute products** – With increased access to information, social media, internet on handheld device – a customer of graphics design industry has many off the shelf option to showcase its end customer. A T-Shirt printing company may choose to use some of the existing design and may not engage graphics designer in each cycle of its production. Also, many of the apparel and accessory production house may insource the designing work and hence not look for external vendor. Also, in case of end consumer - with increased facility of information access and various promotional offers over e-commerce channels, there has been tendency among customers to look for substitute products such as local apparel. A customer will find ease to buy a jogging or sports apparel with some causal T-Shirt and trousers, which may be lot cheaper with promotional offers running locally and available immediately. However, in case of formal sports such as club or higher-level competition, customer will still look for customized design.

**Threat of new entrant** – the graphics designing industry is not dominated by big branded players. Entry to industry does not require significant investment and customer can be served globally. Achieving the same level of design capability and time to achieve maturity is very low in graphics designing industry. Hence any established player can be challenged by any new entrant, which may be located at cheaper location and might have entered with more technological capability. Also, global player will always be challenged by local players as local player may offer more contextualization of personalized designing.

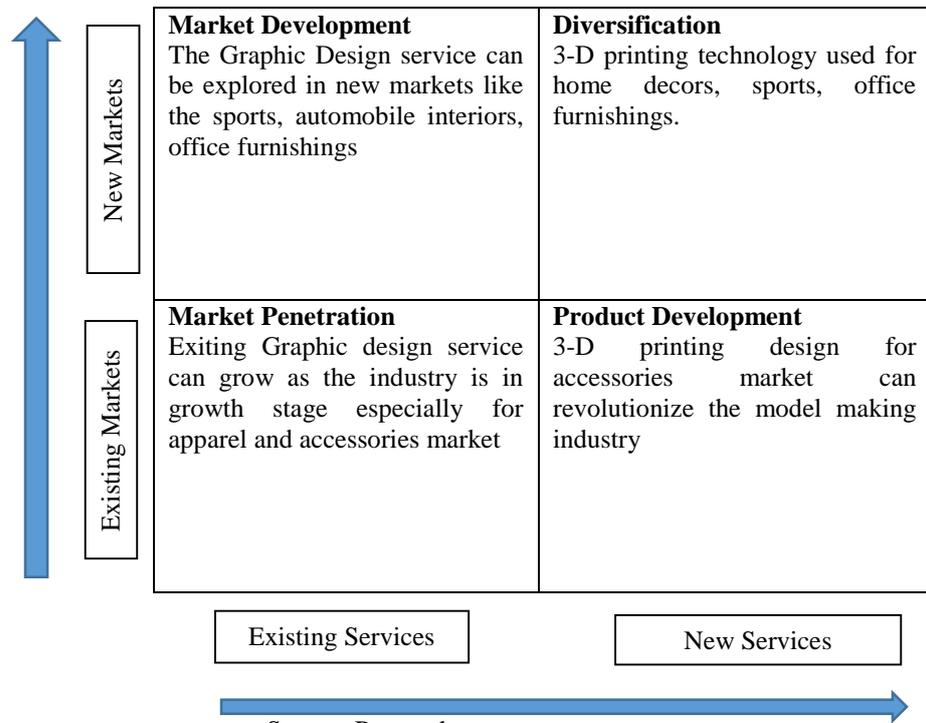
### **Government Initiatives**

1. **INDIA DESIGN MARK** - is a design standard, a symbol, which recognizes good design. India design council grants India design mark after evaluating good design through a systemized process. India Design Mark is initiated in cooperation with Good Design Award, Japan. Through India Design Mark, the India Design Council seeks to inspire Indian manufacturers to bring to market well designed products that enrich the lives of people. India Design Mark symbol is a trustworthy indicator of excellence. The symbol can be used in a wide range of ways, such as advertisements, catalogues, product packaging, and other promotional mediums
2. **NID - National Institute of Design** is internationally acclaimed as one of the finest educational and research institutions for Industrial, Communication, Textile and IT Integrated (Experiential) Design. It is an autonomous institution under the aegis of the Ministry of Commerce and Industry, Government of India. NID has been declared 'Institution of National Importance' by the Act of Parliament, by virtue of the National Institute of Design Act 2014. It is also recognized by the Department of Scientific and Industrial Research, Government of India as a Scientific and Industrial Research Organization.
3. **Integrated Skill Development Scheme (ISDS)** - ISDS plans to bridge that skill gap by training 1.5 million people for which USD 300 million has been allocated by the government.
4. **Amended Technology Upgradation Fund Scheme for textiles industry (ATUFS)** - ATUFS is designed to provide incentives to entrepreneurs and business owners for upgrading technologies. ATUFS facilities are expected to receive an investment of USD 15 billion and create 3 million jobs in the country.
5. **Market Access Initiatives (MAI)** - MAI was launched to promote the Indian exports in a sustained manner. The scheme funds various market studies and surveys to assist exporters.
6. **Market Development Assistance (MDA)** - To encourage exporters to conduct promotional activities for their products.
7. **Special package for Textile and Apparel sector** -To boost exports, labor- friendly policies, scaling up the production and to generate over 10 million jobs in the textile industry over the period of next three years.

8. Implications of Goods and Services Tax (GST) for Indian Textiles Sector -GST will result in ‘Fibre-neutrality effect’ on the Indian textiles sector, according to the Ministry of Textiles, that means all man-made and natural fibers will be treated equally from the tax point of view.
9. The Apparel Export Promotion Council (AEPC) is the official body of apparel exporters that aids Indian exporters as well as to importers/international buyers choosing India as their preferred destination for sourcing garments.

**The Way Forward**

**The Ansoff’s Growth Matrix for Graphic Design Industry**



Graphic design is a broad field, ranging from more traditional practices like print design to the fast-moving world of digital design. The industry itself is in growth stage and poses enough opportunities for companies venturing in this segment. As per the Ansoff’s growth matrix, the way forward for graphic design industry can be segregated into four dimensions:

**Market Penetration** – Exiting Graphic design service can grow as the industry is in growth stage especially for apparel and accessories market

**Product Development** - 3-D printing design for accessories market can revolutionize the model making industry where in new services are provided to the existing markets

**Market Development** - The Graphic Design service can be explored in new markets like the sports, automobile interiors, office furnishings.

**Diversification** - 3-D printing technology used for home decors, sports, office furnishings.

**Animation Industry**

(Extracts from the KPMG India- FICCI, Indian Media and Entertainment Industry Report 2017)

The animation industry in India registered a growth of 8 per cent in 2016, with revenues amounting to INR15 billion. Although animation services have always accounted for a lion’s share of the revenue, animation IP production is fast coming to the forefront growing at a Compound Annual Growth Rate (CAGR) of close to 8 per cent during 2011 to 2016. In 2016, animation Intellectual Property (IP) production recorded a year-on-year (y-o-y) growth of 8.7 per cent. Though, over the next five years, animation services would continue to dominate the animation industry, the domestic content production would also pick up owing to the growing demand of IPs, new characters and storylines.

Inflow of projects from international television (TV) patrons drove the animation services space in 2016 while animation services for international films also witnessed a healthy increase. Together, revenues from outsourced TV and film projects accounted for around 85 per cent of the total animation service turnover in India. Conversely, the domestic animation services market remained tepid, with there being a dearth of projects outsourced internally. Going forward, the trend is likely to continue as growth will come from internationally commissioned projects, with the domestic services market also exhibiting strong growth – albeit on a smaller scale.

In 2016, TV projects continued to dominate the animation services markets on the back of outsourced work. However, films and digital advertising segments are expected to gain share in the total animation services pie over the next five years. As India makes further investment in the sector and strengthens its place in the global animation space, higher number of outsourcing work is expected to flow from international film industries and growing digital advertising domain.

**Animation Industry Performance (Amount in INR billion)**

Segments	2012	2013	2014	2015	2016	YoY growth in 2016	2017P	2018P	2019P	2020P	2021P	CAGR% 2016-2021
Animation Services	7.6	8.0	8.1	8.3	8.9	7.3%	9.7	10.8	12.1	13.2	14.2	9.8%
Animation IP Production	4.5	4.7	5.1	5.6	6.1	8.7%	6.8	7.5	8.2	8.7	9.5	9.3%
Total	12.1	12.7	13.2	13.9	15.0	7.9%	16.5	18.3	20.2	21.9	23.7	9.6%

Source:KPMG India- FICCI, Indian Media and Entertainment Industry Report 2017

Over the past few years, the economics of the animation industry has made it viable for India to feed into the increasing demand of outsourced work. Over the last two to three years, the domestic production of animation content has also been fast gaining traction compared to sub-contracted business from other countries. The Indian animation industry is starting to sustain itself domestically through the rising content demand from TV, film and digital segments. The in-house animation production of content has picked up owing to growing number of kids channels, and increasing viewership on TV channels (such as Cartoon Network, Pogo and Nickelodeon) and online platforms, such as YouTube, Facebook, Vimeo among others. Further, the entry of global OTT/video players, such as Netflix and Amazon Prime, is likely to fuel the demand for locally produced IPs.

**Animation on TV**

Broadcasters have been on the continuous look out to have more channels and programmes for kids in their portfolio. With more than 30 per cent of India’s population being below the age of 15, there is an abundance of Indian broadcasters that can cater to this significant proportion of young audience — falling between the preschool and teenager categories.

**Content**

India is among the largest content markets and there is a demand for varied types of animation genres — comedy, fantasy, edutainment, interactive, preschool and action shows — from the Indian broadcasters, who are exploring new means to educate, amuse and sustain the interest of Indian kids. Not only are they focussing on the linear medium of connecting with the young audience, they are also making efforts to engage and support viewers across digital platforms. Since kids have no limitations in terms of imagination, broadcasters are also focusing on airing international shows that are intriguing and represent local sensibilities. For instance, Japanese

animation shows have connected well with the Indian kids as the stories, cultural settings and themes of the shows resonate well with the Indian culture. Additionally, broadcasters have also introduced language feeds in their animation shows, allowing audience to watch shows in languages other than Hindi and English.

**Higher demand, Collaborations and additional revenue streams**

The demand of animation content from TV as well as digital channels has been on the rise in India. In light of this, studios in India are upping their efforts in developing high quality shows and utilising them to create a perpetual revenue stream. Animation content has an extensive shelf life that provides a strong Return on Investment (RoI). With the growing allure towards domestic IP and content, developing a complete network around the key characters — through movies, web series and consumer products — is helping create additional revenue streams for some studios. Further, investment and collaboration opportunities between animation studios and broadcasters in India have picked up, with the latter paying as high as INR1.5 million to INR4 million per 30-minutes of animation content. Digital players in the kids content space are also seeing increasing revenues basis the number of views as well as the ads driven by their channels.

**Animation co-productions**

Animation co-productions have emerged as a viable option for the Indian animation studios, particularly the ones struggling to muster finances. Further, the quality of talent and tax reliefs available in other countries are also encouraging the content developers to opt for coproductions.

Indian Studio	Global partner	Product description
Toonz Entertainment	Choocolate Liberation front (CLF) and Hahn Films	The series ‘Sherazade ; The untold Stories’ is intended be aired in a 26 x 24 minute format and is being produced for Network Ten (Australia). Hahn Film were responsible for the design related aspect which Toonz translated into their production quality
Digitables Studios	Stan Lee ‘s POW ! Entertainment, Legend VR and illustrator Saumin Patel	The collaboration was the animated series, Stan Lee’s ‘Cosmio Crusaders’ The series was produced for ‘The Hollywood Reporter’ and Digitables Studios served as the production studio for Cosmio Crusaders
Bhasinsoft	Fantastio Films International (FFI)	The entities signed a deal for global sales representation for ‘Slick Rick’. and sales and and co-production deal for ‘Alley of Dream’s scheduled for completion in 2017 Furthermore, two more features, ‘A Mouse’s Tale’ and ‘The Winter Prince’ (a co-production) were planned for delivery in the coming years.
Cosmos Maya	Oliver Jean – Marie, French - Filmmaker Studio Campedelli	Cosmos Maya unveiled the co-production ‘Captain Cactus’ at Marche’ International des Programmes de Communication (MIPCOM). The show , ‘Atchoo’ . was introduced at the Anneoy International Animated Film Festival (MIFA) in 2016. The show, which was pre- sold to Raj TV from Italy, is scheduled for a 2017 launch and garnered interest from broadcasters across the globe.

### **Governments' active role in promoting the animation industry**

India is on its way of joining the list of countries that boast a robust animation landscape. Initiatives for the furtherance of the industry in India are being undertaken by the central and a number of state governments. Some of the major initiatives are:

- The Government of Maharashtra has proposed several provisions in its IT/ITeS policy to encourage the growth of the Animations, Visual Effects, Gaming and Comics (AVGC) sector, including inviting global companies and concentrating on legal framework for IP creation and protection. India's first training institute devoted to animation, visual effects, gaming and comics is going to be established in Mumbai. In 2017, the government authorised to allot 20 acre of land in Goregaon Film City to set up the National Centre for Excellence for Animation, VFX, Gaming and Comics
- Karnataka's AVGC Policy comprises developing a Centre of Excellence for stimulating AVGC education in the state and establishing Digital Art Centres to carry out digital art and animation curriculum in certain fine art schools across Karnataka.
- Government of Telangana is also aggressively supporting AVGC sector and is planning to set-up an incubation centre called 'Innovation in Multimedia, Animation, Gaming and Entertainment' (IMAGE) in Hyderabad, which would provide an ideal environment for businesses in the animation, visual effects, gaming and comics industry
- The Government of Gujarat is pursuing investments to launch an AVGC lab in the state that would provide a number of facets in the Gujarat AVGC sector a technological boost
- Government of India has permitted 100 per cent FDI in the animation industry through automatic route on a condition that it needs to be in agreement with the Reserve Bank of India guidelines.<sup>205</sup>

## **OUR BUSINESS**

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled —Forward-Looking Statements beginning on page 12 of this Draft Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section —Risk Factors for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled —Risk Factors and —Financial Information as restated beginning on pages 13 and 128 respectively. Unless otherwise stated, references in this section to —Inscribe Graphics, —the Company or —our Company are to —Inscribe Graphics Limited, and references to —we, —our or —us are to the Company.

Our company was originally incorporated as ‘Inscribe Graphics Private Limited’ on January 27, 2009, under the Companies Act, 1956 and is engaged in the business of graphics, animation, multimedia, web designing and incidental activities. Consequent upon conversion into Public Limited Company the name of our Company was changed to ‘Inscribe Graphics Limited’ and fresh certificate of incorporation was obtained from the Registrar of Companies, Chennai, Tamil Nadu, on November 16, 2017.

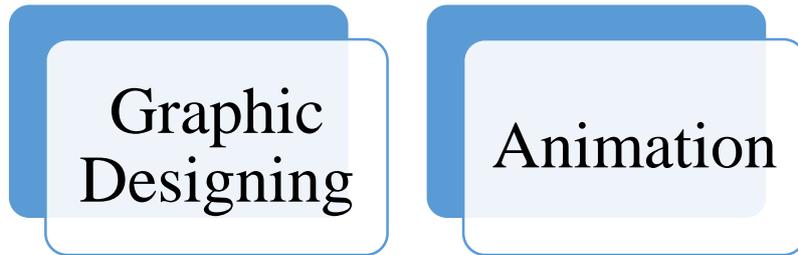
Our Company, so far, has been catering to the overseas markets only. It started with offering services to clients in USA and later on expanded into countries like UK, Norway, Hong Kong, Australia, Canada, Singapore and Bangladesh. Artwork and Digitising are its core areas of activities from inception.

Our Company focusses on Promotional Products, Fashion Apparel, Retail, Professional Sports, Collegiate Licensing, Corporate, Uniforms, Licensed Team Sports, Sporting Goods, Graduation Products, Cheerleading, Printing, Manufacturing and Embroidery markets.

The company was directly dealing with its overseas clients in the beginning years. However, for operational and marketing convenience our company had started a branch in USA in March 2012 and the branch started procuring orders from the overseas clients (mostly from USA) and those orders were executed by the Head Office at Chennai, India. With the rolling out of Goods and Services Tax in India in July 2017, the company had thought it fit to incorporate a Wholly Owned Subsidiary (WOS) in USA for operational and administrative reasons and also for achieving tax efficiency. The WOS in USA was set up in the month of October 2017 and now the WOS procures orders from the clients and interacts with them, instead of the USA branch with execution continues to be done by the Head Office at Chennai.

During the current financial year 2017-18, the company has forayed into the animation segment. It has started with 2D animation projects and would also be considering 3D animation projects in the coming months. The company has laid a strong foundation for taking up bigger projects in future. At present the 2D animation segment executes work in the television segment and in due course works from movie and other segments would also be taken up. Being a recently started division, the contribution of this division to the overall turnover and profits of the company. However, this division is expected to grow significantly in the coming years.

Our Company deals in two segments as mentioned below:



**Nature of Services – Graphic Designing:**

**Our Graphic Designing works can be categorised into two – Artwork and Digitizing**

**Artwork:**

Our artwork services add perfection to design workflow of the clients. Our design team transforms raw image inputs into camera ready artwork for use by custom-decorating apparel manufacturers and the promotional products industry. Camera ready artwork is used for various methods of imprinting including silk screen printing, engraving, laser etching, debossing/ embossing, and even enamel art on a wide range of apparel, promotional products, sporting wear, headgear and accessories. Our artwork capabilities include vector design, redraws, namedrops, image editing, custom rhinestone designs, virtual embroidery and customer proofs among many others.

**The following activities come under our Artwork services**

- Redraw
- Name Drop
- Image Edit
- Virtual Proof
- Presentation
- Print ready color separation
- Rhinestone
- Typeset and page layouts
- Print Design
- Mock ups
- Labels
- Plastic Card

**Some of the activities are briefly explained below:**

**Redraw:**

Flat images are converted into vector art using mesh with gradient and simple black and white illustrations

**Rhinestone:**

Conversion of logos into unique rhinestone designs for heat transfer of stones or studs on garments, caps, etc.

**Image Edit:**

The main subject of the image is separated from the background and used with different image or background

**Virtual Proof:**

New art is placed in a template to give an idea of final imprint on the selected product

**Presentation:**

A set of new designs are grouped together, aligned in a presentation page for customer proof

**Name Drops:**

A new design is created from a select layout, replacing the verbiage, logo and other elements with new content and completed designs mocked up in different style as customer request.

**Print Design:**

Transforms clients' concepts into persuasive messages delivered through exceptionally creative forms of visual expression.

**Digitizing:**

Stand-out embroidery designs on garments, bags, headwear, uniforms and various accessories begin with high quality custom embroidery digitizing that converts design into a digital embroidery file readable by any embroidery machine. Our digitizing capabilities range from namedrop, lettering and logos, to appliqué, sequins, 3D puff, chenille and motifs. Texture is added in thread colors to match your design, using different types of fills including satin stitch, complex fill, run stitch, triple run, motif, backstitch and manual stitch. Logos, monograms, emblems and just about any design can be digitized precisely to specifications, ready to be sewn by your embroidery machine on a wide range of substrates.

**The following activities come under our Digitizing Services**

- Direct Embroidery
- Patches & Badges
- Puff & 3D designs
- Applique
- Sequins
- Chenille
- Motifs

**Software**

Our Graphic designing under **Artwork** category relies very much on the use of image editing software from Adobe Systems. Company subscribes to these software and the subscription is renewed on a yearly basis. Software used for Artwork are:

- Adobe Photoshop
- Adobe Illustrator
- Adobe indesign
- Corel Draw

In the case of **Digitizing** work, the following are software are widely used.

- Tajima
- Wilcomm
- Punto

**Images of some of the products as they appear after completion of our Artwork/Digitising services are given below**





## Nature of Services – Animation Projects:

As of now this division has been involved in executing 2D animation projects only and it is planning to get into the 3D animation segment also in the coming months. The company is carrying out projects for the television segment. It is carrying out only domestic orders now and has been continuously working towards obtaining international orders which would be bigger in size and also offer better realizations. It is delivering in aggregate content for about 21 minutes for two TV animation serials. Its existing manpower is sufficient to more than double the present level of output and the infrastructure facilities are more than sufficient to take up the output levels by 4 more times.

## Our Competitive Strength

- **Experienced Management Team**  
Managing Director and the Whole Time Directors have an industry experience of more than 2 decades.
- **Good Infrastructure facility**  
Company has been functioning from a 6920 sq.ft. office space since Jan, 2013. An additional space next door of 2760 sq. ft. has been added on Nov, 2015. Another recent addition of 5850 sq. ft on the next road has been taken on July, 2017. The total area operated has come to 15,530 sq.ft Our overseas clients have been satisfied with our excellent infrastructure. Our premises are well equipped with computer systems, internet connectivity, other communication equipment, security, transport and other facilities, which are required for our business operations to function smoothly.
- **Experienced technical team**  
About 10 employees of our company are with us for more than 8 years and 20 employees have been working in our company for more than 5 years. As many as 51 employees have put in more than 3 years of service in our company. Vast experience of these employees ensure good rapport with the customers and also results in utmost quality in our services.
- **Presence in USA through a Wholly Owned Subsidiary (WOS)**  
Our company's WOS is situated at 19 Carriage Lane, Scotts Valley, California (CA 95066)
- **Customer Loyalty**  
Our customers are always satisfied with our work and most of our customers are dealing with us for more than 6 years now. Customers viz. 'Gear for Sports', 'Ouray Sportswear', '5<sup>th</sup> Ocean', 'OOMPH' and Avery Dennison may be mentioned as few examples. Customer loyalty ensures that there are no wild swings in the volume of operations and a minimum level of work is always there for our company.

## Our Strategies

- **To explore newer markets across the globe**  
Our company will focus on getting clients from newer markets. At present the company's focus is on 2 countries viz. France and Belgium
- **To set up more offices in USA**  
Company's bulk of the revenues already come from USA. However, the potential to get more businesses from various parts of the country is huge. We are mulling of opening a couple of more branches in the Texas (Houston) and New Jersey States.
- **To aggressively acquire new and more clients in existing markets**  
The company has drawn up aggressive marketing plans to acquire new clients from all the territories where it already has a presence. Apart from USA the company is eyeing new clients in countries like Norway, Canada and UK.
- **To consider forward integration opportunities**  
Our company does the designing the services and the next activity is printing. The company may go in for taking up 'printing' activities as a forward integration strategy. Our company would be willing to take up printing on garments and on various other promotional materials.

- **To consider inorganic growth, wherever possible**  
In case of a company of right size and other synergies available for acquisition, the company might consider acquiring it after analyzing the cash flows and other relevant factors.
- **To obtain international orders and take up 3D animation works**  
In the case of animation division, the company is working on obtaining international orders which would result in increased turnover as well as give much improved margins. Our company is also working on getting into 3D animation segment. Some of the team members are already familiar with 3D animation works and based on requirements, persons with 3D animation skills will be recruited and the 2D animators would be trained in 3D animation so that they would become cross skilled to handle both types of jobs.

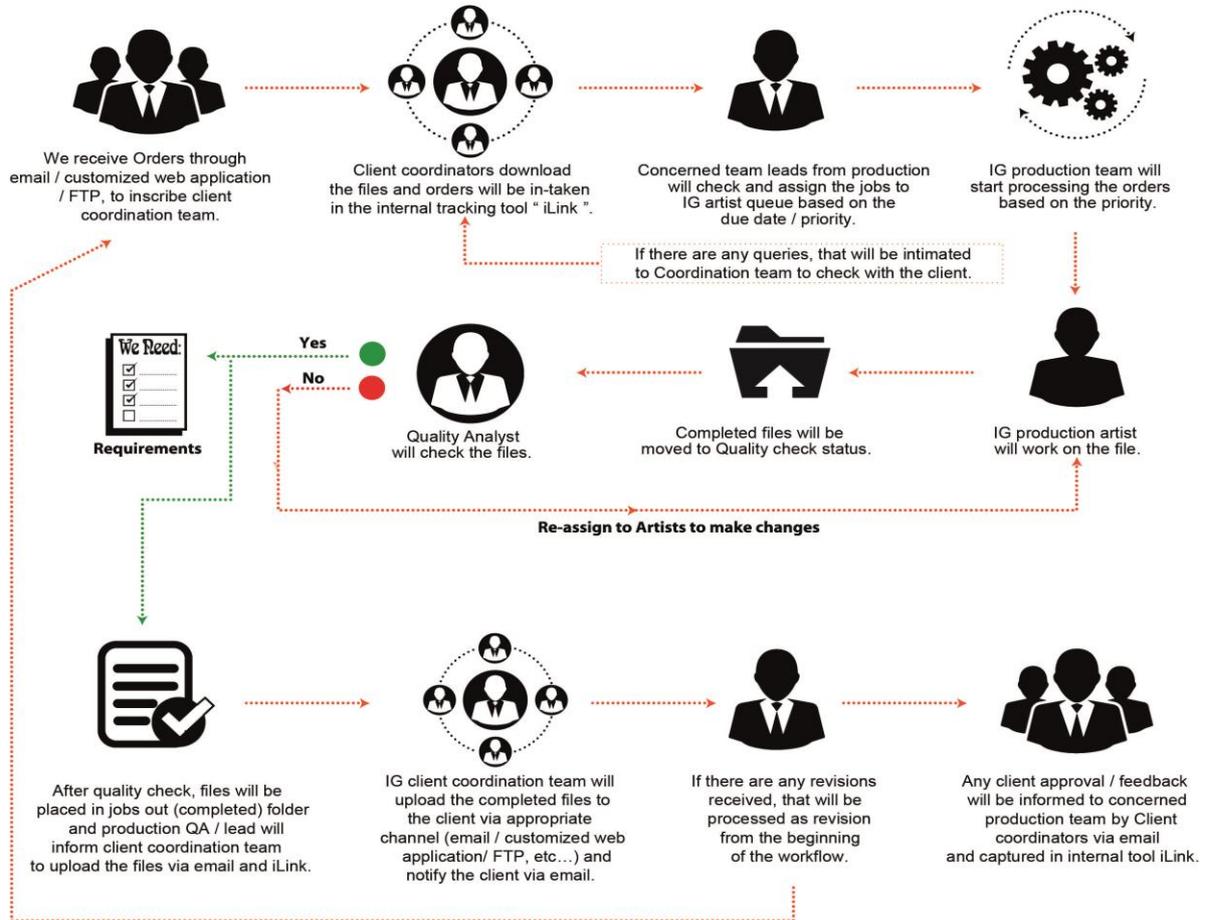
### **Competition**

Graphics Designing, especially for sports apparels is still a niche market in India and there are only fewer players in the market. Affinity Express India Private Limited, Nittany Creative Solutions Private Limited, Esales Technologies Private Limited and Shawk India Private Limited are some of the companies in similar lines of business. However, these companies could be carrying out some other activities also apart from Graphic Designing. The management is of the opinion that competition from companies located in India is not significant and that it has to compete with players from other countries including the players in USA from where bulk of the orders originate.

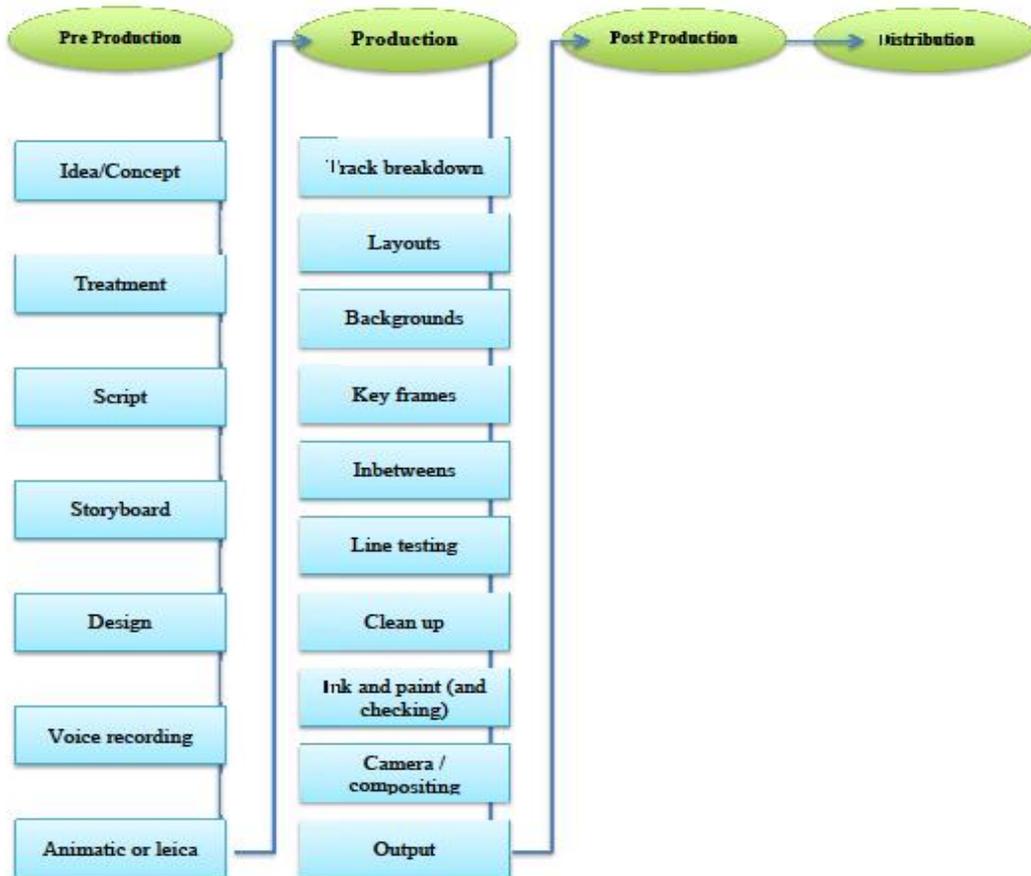
As far as Animation activities are concerned, the company has to compete with a number of players in India. Due to heavy competition, there is always a pressure on the margins. The division has been working on obtaining direct overseas projects where not only the size of the order will be bigger but the margins would also be higher. Apart from offering only services, the Company will also be considering co-production type arrangements. It might even consider part owning some overseas animation entities to increase the volume of its operations in the coming years.

Process flow of activities in both the divisions are given below:

## Process Flow



*Process Flow – Animation Projects*



**Some of the key process activities are discussed hereunder:**

### ***PRE-PRODUCTION***

#### **Idea/concept**

It all starts with an idea which might even be written on the back of a bus ticket. This idea only blossoms into a finished work later.

#### **Treatment**

More like a narration of a film by one person (as though he had already viewed it) to another person.

#### **Script**

Detailed description of the film.

#### **Storyboard**

Live action movies might happen without story board but it is unthinkable for a animation project to work without it. It is a very important means of communication for everyone engaged on a project. Storyboards are made up of sequences, scenes and or shots. Storyboard is the reference point for all those who are involved in the project.

#### **Design**

All the elements in animation need to be designed and this part of the process will often be happening at the same time as, or even before the script is developed.

#### **Voice recording**

Recording of dialogues rendered by various actors and music added.

#### **Animatic or leica**

A leica reel is made from animated stills, or sometimes preliminary artwork or storyboard frames, arranged with recorded material.

### ***PRODUCTION***

#### **Track breakdown**

**Breakdown** helps the key frame animator describe the action to in between animators.

#### **Layouts**

A layout is a full-sized drawing that shows the visual workings of a shot. Another important role of the layout is to indicate the precise framing of the camera.

#### **Backgrounds**

A background layout is the line drawing of the background of a scene. It is not the finished background painted in colour the one sees on the screen..

#### **Key frames**

A **key frame** in **animation** and filmmaking is a drawing that defines the starting and ending points of any smooth transition. The drawings are called "frames" because their position in time is measured in frames on a strip of film

#### **Inbetweens**

Inbetweening is the process of generating intermediate frames between two images, called key frames, to give the appearance that the first image evolves smoothly into the second image.

#### **Line testing**

A **Line Test** is a process used to check hand drawn frames prior to them being used for final artwork.

#### **Clean up**

**Clean-up animation** is the process of creating the final drawings that one sees in the finished film.

**Ink and paint (and checking)**

**Ink and Paint** is the term used for the process of colouring the drawn frames.

**Camera / compositing**

Compositing is the combining of visual elements from separate sources into single images, often to create the illusion that all those elements are parts of the same scene

**Output**

The resulting imagery is output to either film or video. It may alternatively be output to some digital storage medium such as DVD ROM.

**POST PRODUCTION**

Activities that happen post the camera stage is called 'post production'. Post production involves editing, dubbing, mixing, music etc.

**DISTRIBUTION**

The means by which the product is delivered to its viewers. This can be cinema, Internet, DVD, TV and so on.

**TECHNOLOGY PARTNERS / COLLOBORATIONS**

**Alpha Systems India Private Limited**

This company offers a cloud based ERP package designed for Garment Industry. We have partnered with Alpha System to cater the garment clients who may require this software for their automation process. TPCS and Jenix Cloud are Products of Alpha System

**United Bind Graphics**

We have partnered with this entity to provide printing services to our clients who will need printing of Catalogues / Brochures / Books etc.

**Edit Support**

This entity provides content creation, editing, copyright services for print and web domain. We have partnered with Edit support to provide similar services to our clients.

**END USERS**

Garment entities and other entities who get printing done on their garments and promotional materials are the end users of company's services. In the case of animation services TV content producers and movie producers are our end customers.

**EXPORT OBLIGATION**

Our company does not have any export obligation as on the date of filing of this Red Herring Prospectus

**CAPACITY AND CAPACITY UTILISATION**

Our company is engaged in offering services in graphic designing and in animation and therefore capacity and capacity utilisation of plant and machinery is not applicable. However, we can increase the volume of work executed by working on additional shifts, if required.

**HUMAN RESOURCES**

Details of our employees, department-wise, are given below: (status as at 31.12.2017)

<b>Department</b>	<b>No. of Employees</b>
Accounts	4
Admin	4
Animation	43
Artwork	156
Business Development	1
Client Coordination	18

Digitizing	37
HR	4
MIS	1
Netsupport	4
Sales	10
<b>Total</b>	<b>282</b>

### INSURANCE

We have taken insurance policies insuring major risks relating to fire, theft for our buildings and various office equipment including computers, servers, cameras, air-conditioners, work stations, storage cabinets, etc. However, these insurance policies may not provide adequate coverage in certain circumstances and are subject to deductibles, exclusions and limit on coverage. Details of insurance policies are given below.

Nature of Policy	Corporate Cover Policy (Fire, Burglary, Cash-in-safe, Cash -in-transit, Glass breakage, Fidelity Guarantee and Public Liability)
Policy No.	4019/129333729/00/000
Agency	ICICI Lombard General Insurance Company
Location and assets covered	Lambda Elcot - 174 Developed Plots, Industrial Estate, Perungudi, Chennai 600096  Building, Interior/Exterior Designs, Office equipment (including computers, servers, cameras, air-conditioners, work stations, storage cabinets, embroidery machine etc.
Sum Insured	₹.68,201,218/-
Total Premium (₹)	Rs 46,018/-
From	30/03/2017
Valid up to	29/03/2018

Nature of Policy	Corporate Cover Policy (Fire, Burglary, Cash-in-safe, Cash -in-transit, Glass breakage, Fidelity Guarantee and Public Liability)
Policy No.	4019/140440866/00/000
Agency	ICICI Lombard General Insurance Company
Location and assets covered	Gee Yam Tech Square, No.57, Developed Plots, Industrial Estate, Perungudi, Chennai 600096  Computers, Airconditioners, Network Equipment, UPS, Projectors etc.
Sum Insured	₹37,672,164/-
Total Premium (₹)	₹25,031/-
From	30/11/2017
Valid up to	29/11/2018

## INTELLECTUAL PROPERTY

We have applied for registration of the name of our company and also its logo under the Trademark Act. Details furnished below:

Sr. No.	Trademark applied for	Application Number	Trade Mark Type	Date of Application	Class	Current Status
1.	Inscribe Graphics	3696117	Word	6/12/2017	42	Marked for Exam
2.		3696118	Device (Logo)	6/12/2017	42	Marked for Exam

## PROPERTIES TAKEN ON LEASE

Sr. No.	Location of the property	Document and Date	Licensor /Lessor	Lease Rent/Licence Fees	Lease / Licence Period		Purpose
					From	To	
1	No.174,Developed Plots, Industrial Estate, Perungudi, Chennai – 600 096 ( Block A)	Lease Deed 14 <sup>th</sup> Oct 2012	Lambda Elcot Ltd	₹1,60,000/-	1 <sup>st</sup> Nov. 2012	1 <sup>st</sup> Nov.2020	Registered Office and Unit I
2	No.174,Developed Plots, Industrial Estate, Perungudi, Chennai – 600 096 (Block B)	Lease Deed 1 <sup>st</sup> Nov 2015	Lambda Elcot Ltd	₹40,000/-	1 <sup>st</sup> Nov 2015	1 <sup>st</sup> Nov 2020	Unit II Office
3	No.57, Developed Plots, Industrial Estate, Perungudi, Chennai – 600 096 (2 <sup>nd</sup> Floor)	Lease Deed 3 <sup>rd</sup> July 2017	C.Kirupa Shankaran Gee Yam Tech Square	₹ 2,16,450/-	03 <sup>rd</sup> Jul 2017	03 <sup>rd</sup> Jul 2026	Unit III Office

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following is an overview of the relevant regulations and policies as prescribed by the Government of India or other regulatory bodies which are applicable to our business and operations in India. The information detailed below has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **I. Business related Laws**

#### ***Information Technology Act, 2008***

The Information Technology Act, 2008 (“**IT Act**”) creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorized access, publication or transmission of obscene material etc.

### **II. Intellectual Property Laws**

#### ***The Copyright Act, 1957***

The Copyright Act, 1957 (“**Copyright Act**”) governs copyright protection in India. Under the Copyright Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

#### ***The Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trademark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after 10 (ten) years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

#### ***The Patents Act, 1970***

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

## Labour Laws

### *The Employees' Provident Funds and Miscellaneous Provisions Act, 1952*

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**") applies to factories employing 20 (twenty) or more employees and such other establishments and industrial undertakings as notified by the government from time to time. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

### *The Employees' State Insurance Act, 1948*

The Employees' State Insurance Act, 1948 ("**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is required to register such factory or establishment under the ESI Act and maintain prescribed records and registers.

### *The Payment of Gratuity Act, 1972*

The Payment Gratuity Act, 1972, as amended from time to time ("**Gratuity Act**") prescribes compulsory gratuity payable by factories, mines, plantations and other establishments where 10 (ten) or more persons are employed. The Gratuity Act entitles every employee who has completed 5 (five) years of service to gratuity calculated at the rate of 15 (fifteen) days wage for each year of completed service or part thereof in excess of 6 (six) months, subject to a maximum of ₹ 1 million.

### *The Payment of Bonus Act, 1965*

The Payment of Bonus Act, 1965, as amended from time to time ("**PB Act**") provides for payment of bonus on the basis of profit to people employed in factories and establishments employing 20 (twenty) or more persons on any day during an accounting year. This statute presently applies to employees whose wages do not exceed ₹ 21,000 (Twenty One Thousand) per month. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹. 100 (One Hundred) whichever is higher provided that an employee has worked in the establishment for not less than 30 (thirty) days in that year.

### *The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013*

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWWA**") has been introduced in 2013 to combat and redress the issue of workplace sexual harassment. SHWWA requires every employer having 10 (ten) or more employees (defined to include workers engaged through a contractor) to set up an internal complaints committee to receive, investigate and redress grievances of workplace sexual harassment in a confidential and time bound manner. SHWWA also prescribes the constitution and quorum, process and timelines for the inquiry and obligations of the employer and internal complaints committee.

### *The Maternity Benefits Act, 1961*

The Maternity Benefit Act ("**MB Act**"), as amended from time to time entitles a woman employee who has been in employment with the employer for 80 (eighty) days in the 12 (twelve) months immediately preceding her delivery to maternity leave of 12 (twelve) weeks, of which not more than 6 (six) weeks can precede the date of her delivery. The MB Act further provides for (i) paid leave of 6 (six) weeks for miscarriage or medical termination of pregnancy; (ii) paid leave of 2 (two) weeks following the date of tubectomy operation; (iii) 1 (one) month's paid leave on account of any illness occurred after pregnancy, delivery, miscarriage, medical termination of pregnancy or tubectomy operation; and (iv) medical bonus of ₹ 3,500 (Rupees Three Thousand Five Hundred) from the employer if no pre-natal confinement or post-natal care is provided by the employer free of charge. The Lok Sabha passed the Maternity Benefit (Amendment) Act, 2016 to increase paid maternity

leave from 12 (twelve) weeks to 26 (twenty six) weeks for women having two surviving children and provides for 12 (twelve) weeks maternity leave for women having more than 2 (two) children.

### **III. Tax Laws**

#### ***Income Tax Act, 1961***

The Income Tax Act, 1961 ("***Income Tax Act***") deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of the Income Tax Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Income Tax Act. Filing of returns of Income is compulsory for all assesses. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Income Tax Act.

#### ***The Central Goods and Services Tax Act, 2017 (the "GST Act")***

The Government of India proposed a comprehensive national goods and services tax ("***GST***") regime that would combine taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (101 Amendment) Act 2016, which received presidential assent on September 8, 2016, enabled the Government of India and State Government to introduce GST. Accordingly, GST was enacted to make a provision for levy and collection of tax on supply of goods or services or both and was made effective from July 1, 2017.

GST is a destination based tax levied on supply of goods and services. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the Government of that State. For inter-State transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST will be levied on all stages of the supply chain till the final sale to consumers, providing ITC the supply chain. There will be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **IV. Other Laws**

#### ***The Indian Contract Act, 1872***

The Indian Contract Act, 1872 ("***Contract Act***") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 ("***SR Act***") is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the SR Act applies both to movable property and immovable property. The SR Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### ***The Companies Act, 2013***

The Companies Act, 2013 ("***CA 2013***") has been introduced to replace the existing Companies Act, 1956 in a phased manner. The CA 2013 primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of

Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the CA 2013.

### ***Competition Act, 2002***

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### ***The Consumer Protection Act, 1986***

The Consumer Protection Act (“**COPRA**”) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provided for a three tier consumer grievance redressal mechanism at the national, state and district levels.

### ***The Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (“**TP Act**”) as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

### ***Shops and Establishments Legislation***

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Our Company has its registered office in the state of Tamil Nadu. Accordingly, the provisions of the Tamil Nadu Shops and Establishments Act, 1947 are applicable to our Company. The Tamil Nadu Shops and Establishments Act, 1947, as amended, regulates the conditions of work in shops, commercial establishments, restaurants, theatres and other establishments in Tamil Nadu and makes provisions for the opening and closing of shops, daily and weekly hours of work, employment of children and young persons, health and safety measures, wages etc.

### ***Foreign Direct Investment***

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The department of Industrial Policy and Promotion (“**DIPP**”), has issued consolidated FDI Policy of 2017, which supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Reserve Bank of India (“**RBI**”) also issued Master Circulars on Foreign investment in India every year. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India. Such Indian companies making fresh issues of shares would be subject to the reporting requirement, inter-alia with respect to consideration for issue of shares and also subject to making certain financial including filing of Form FC-GPR. Outbound investments are also regulated by RBI under the Foreign Exchange Management Act, 2000 and Foreign Exchange Management (Transfer or issue of any foreign security) Regulations, 2004. An Indian party can make direct investments in JVs/ WOSs outside India (except Pakistan) without obtaining any prior RBI approval. RBI has also made available Master Direction on direct investment in JV/WOS abroad.

### ***The Arbitration and Conciliation Act, 2015***

The Arbitration and Conciliation Act (“***Arbitration Act***”) was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

### **Laws applicable for operations outside India**

Our Company operates in United States of America as well. The relevant laws of USA are applicable to our Company in that jurisdiction, which relate to incorporation or registration as applicable, labour, immigration, intellectual property, data protection, taxation, and other business related laws.

## OUR HISTORY AND CORPORATE STRUCTURE

Our Company was originally incorporated on January 27, 2009, as “INSCRIBE GRAPHICS PRIVATE LIMITED” as a private limited Company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Chennai, Tamil Nadu. Our Company was converted into a public Limited Company and accordingly the name of our Company was changed to “INSCRIBE GRAPHICS LIMITED” pursuant to a special resolution passed by our Shareholders at the EGM held on November 1, 2017. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 16, 2017 by Registrar of Companies, Chennai, Tamil Nadu. Our Corporate Identification Number is U92100TN2009PLC070565.

The promoters of our Company are Mr. R. Prakash, Mr. A. Omer Sheriff and Ms. Vimla Thomas.

### **Changes in our Registered Office:**

Our Company’s Registered Office is currently situated at 174 Developed Plots, Industrial Estate, Perungudi, Chennai 600096, Tamil Nadu.

Details of changes in the address of the Registered Office of our Company are set forth as under:

Date of Change	From	To
03/06/2013	New No.83, Second Street, Kamaraj Avenue, Adyar, Chennai-600020, Tamil Nadu	174 Developed Plots, Industrial Estate, Perungudi, Chennai - 600096, Tamil Nadu.

### **Main Objects of our Company**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects of our Company are:

- 1) To carry on the business of graphics, animation, multimedia, web designing and all incidental activities.
- 2) To carry on the business of internet enabled trade, electronic commerce, business-to-business and business-to-customer trade both in India and abroad.
- 3) To carry on the business of software and in the field of designing, developing and implementation of internet/web portal, web hosting, internet and e-commerce.

### **Changes in the Memorandum of Association**

The following changes have been made in the Memorandum of Association of our Company since inception

Date	Particulars
March 25, 2010	Authorised Share Capital of the Company increased from ₹ 1.00 Lakh divided into 10,000 Equity Shares of ₹ 10/- each to ₹50.00 Lakhs divided into 5,00,000 Equity Shares of ₹ 10/- each
August 2, 2017	Authorised Share Capital of the Company increased from ₹ 50.00 Lakhs divided into 5,00,000 Equity Shares of ₹ 10/- each to ₹ 1100.00 Lakhs divided into 1,10,00,000 Equity Shares of ₹ 10/- each.
November 1, 2017	Change of Name of the Company from Inscribe Graphics Private Limited to Inscribe Graphics Limited pursuant to Conversion of Company from Private Limited to Public Limited.

## Major Events and Milestones

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

Year	Particulars
2009	Incorporation of the Company
2012	Opening of Company's branch in USA
2017	Company gets into Animation activities
2017	Formation of a Subsidiary in USA – Inscribe Graphics Inc.
2017	Conversion of Company from Private Limited to Public Limited

### Awards/Certificates/Accreditations'

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### Other details regarding our Company

For details regarding the description of our activities, including details of our business, geographical presence, growth, competition, products, technology, and managerial competence, please see sections entitled “*Our Business*”, “*Our Management*” and “*Industry Overview*” beginning on pages 88, 109 and 70 respectively.

### Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

### Holding Company of our Company

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

### Subsidiary of our Company

The Company has a subsidiary in USA viz Inscribe Graphics Inc. in USA as on the date of filing of this Draft Red Herring Prospectus.

### Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against the Company.

### Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation etc.

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings till date.

### Changes in the Activities of our Company during the Last Five Years

There has been no change in the business activities of our Company during the last five years from the date of this Draft Red Herring Prospectus.

### Capital raising activities through Equity or Debt

For details of the equity capital raising of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 50 of this Draft Red Herring Prospectus. We have not done any debt issuances or raised any long term debt since incorporation till date.

### Changes in the Management

For details of change in Management Please refer to “*Our Management*” on page 109 of this Draft Red Herring Prospectus.

### Shareholders Agreements

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

#### **Strikes and Lock-Outs**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

#### **Other Agreements**

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of this Draft Red Herring Prospectus.

#### **Collaboration**

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

#### **Strategic Partner**

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

#### **Financial Partner**

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

#### **Defaults or Rescheduling of Borrowings with Financial Institutions or Banks**

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

#### **Number of Shareholders**

Our Company has Seven (7) shareholders on date of this Draft Red Herring Prospectus.

#### **Time and Cost overruns**

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.

#### **Guarantees provided by our Promoters**

Our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association, our Company is required to have not less than two (2) Directors and not more than Fifteen (15) Directors. Our Company currently has five (6) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Appointment	Other Directorships/Designated Partners
<b>Mr. R Prakash</b> S/o: Mr. Radhakrishnan <b>Age:</b> 46 years <b>Designation:</b> Managing Director <b>Term:</b> Appointed as Managing Director for a period of 5 years with effect from January 1, 2018 <b>Address:</b> Flat No.3, Plot No.336, Cee Dee Yes, Saptaswara Apartments, 6 <sup>th</sup> Main Road, Vijayanagar, Velachery, Chennai-600042, Tamilnadu. <b>Occupation:</b> Business <b>PAN:</b> AHXPP2409C <b>Nationality:</b> Indian <b>DIN:</b> 02401643	Appointed as Executive Director since inception of the Company and subsequently appointed as Managing Director in the Board Meeting held on December 30, 2017 and the appointment has been confirmed by the members of the company through a resolution passed in the Extra Ordinary General Meeting held on January 22, 2018	Inscribe BPO Private Limited Haresha Foods Private Limited
<b>Mr. A Omer Sheriff</b> S/o: Mr.Aneez <b>Age :</b> 44 Years <b>Designation:</b> Executive Director <b>Term:</b> Appointed as Wholetime Director for a period of 5 years with effect from January 1, 2018 <b>Address:</b> Plot No. 188, 2 <sup>nd</sup> Main Road, New Kumaran Nagar, Sholinganallur, Chennai-600119, Tamil-Nadu. <b>Occupation:</b> Business <b>PAN:</b> AAGPO9652E <b>Nationality:</b> Indian <b>DIN:</b> 02487807	Appointed as Executive Director since inception of the Company and subsequently appointed as Whole-Time Director in the Board Meeting held on December 30, 2017 and the appointment has been confirmed by the members of the Company through a resolution passed in the Extra Ordinary General Meeting held on January, 22 2018	Inscribe BPO Private Limited
<b>Ms. Vimla Thomas</b> D/o : Mr. Thomas <b>Age:</b> 51 years <b>Designation:</b> Executive Director <b>Term:</b> Appointed as Wholetime Director for a period of 5 years with effect from January 1, 2018 <b>Address:</b> 1G Block-3, Ramaniyam Eden, Velachery Main Road, Chennai-600042, Tamil-Nadu. <b>Occupation:</b> Business <b>PAN:</b> AFTPR6108N <b>Nationality:</b> Indian <b>DIN:</b> 02778969	Appointed as Director on December, 24, 2009 and subsequently appointed as Executive Director in the Extraordinary General Meeting held on January 27, 2010. She has been appointed as the Whole-Time Director in the Board Meeting held on December 30, 2017 and the appointment has been confirmed by the members of the Company through a resolution passed in the Extra Ordinary General Meeting held on January 22, 2018	NIL
<b>Name: Ms. Hemalatha Rajan</b> D/o : M. Thangaraj <b>Age:</b> 52 years <b>Designation:</b> Non-Executive Independent Director <b>Term:</b> Appointed as Non-Executive	Appointed as Non-Executive Independent Director vide Board Resolution dated November 23, 2017	Tiara Granites Private Limited Varam Capital Private Limited Virudhunagar Kamaraj Memorial Software

<p>Independent Director with effect from November 23, 2017  <b>Address:</b> Flat No.C3, 3<sup>rd</sup> Floor, Golden Kings Court, 61, TAS Enclave, 10<sup>th</sup> Main Road, Annanagar, Chennai 600040  <b>Occupation:</b> Business  <b>PAN:</b> AATPH 2012 G  <b>Nationality:</b> Indian  <b>DIN:</b> 00115674</p>		<p>Private Limited  CIEL IT Solutions Private Limited  Lumino Technologies Private Limited  Ma Foi Strategic Consultants Private Limited  Lymbyc Solutions Private Limited  Ma Foi Educational Services Private Limited</p>
<p><b>Name:Ms. R. Sneha</b>  <b>D/o :</b> PG Ramkumar  <b>Age:</b> 24 years  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b>Appointed as Non-Executive Independent Director with effect from November 23, 2017  <b>Address:</b> No.9 Anna Avenue, Bakthavatchalam Nagar Extension, Adyar, Chennai-600020  <b>Occupation:</b> Advocate  <b>PAN:</b>EMVPS 7071 A  <b>Nationality:</b> Indian  <b>DIN:</b> 08000608</p>	<p>Appointed as Non-Executive Independent Director vide Board Resolution dated November 23, 2017</p>	<p>NIL</p>
<p><b>Name: Mr. A. Hariharan</b>  <b>S/o : Annamalai Samy</b>  <b>Age: 41 years</b>  <b>Designation:</b> Non-Executive Director  <b>Term:</b>Appointed as Non-Executive Director with effect from January 1, 2018  <b>Address:</b> 41A, Muniasamy Puram, 2<sup>nd</sup> Street, Tuticorin -628003.  <b>Occupation:</b> Business  <b>PAN:</b>AAKPH 8833 N  <b>Nationality:</b> Indian  <b>DIN:</b> 05250860</p>	<p>Appointed as Non-Executive Director vide Board Resolution dated December 30, 2017</p>	<p>Hari Blue Metals Private Limited  Haresha Foods Private Limited  Kandla Harico Private Limited  Hari &amp; Co. International LLP</p>

**Note:**

As on the date of this Draft Red Herring Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Draft Red Herring Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**Brief Biographies of our Directors**

**Mr. R Prakash** aged 46 years, holds a Master's Degree in Business Administration from Madras University, Chennai, India. He combines a rich outsourcing industry background with strong technology and management skills acquired over two decades of hands-on experience. The entrepreneurial phase of his professional career

began with Inscribe BPO Private Limited which delivers IT-enabled services to global clients from two delivery centers in Tamil Nadu, India. Mr. Prakash is responsible for overall management of the company including business planning, finance, personnel and administrative functions. Prior to founding Inscribe BPO Private Limited, he worked as Systems Division in-charge for seven years at a multinational company namely SPIC PHI Seeds Limited where he was responsible for data analysis.

**Mr. A Omer Sheriff** aged 44 years, holds a Bachelor's Degree in Business Administration from Madras University, Chennai, India. He is a technology specialist and possesses strong skills in hardware, software and ITES developed over two decades of experience to drive business strategy as well as key systems and processes at Inscribe Graphics. An early entrant in the ITES domain, he set up Ozone Technologies, a data processing partnership firm working with market leaders such as IMRB, and subsequently providing Litigation Support Services. Omer is responsible for managing the company's IT and Infrastructure. Mr. Omer Sheriff was previously an IT consultant providing networking consultancy on corporate projects, followed by a stint as Business Development Manager for a company delivering ERP solutions for the SME sector.

**Ms. Vimla Thomas** aged 51 years is a designer by education and is a graduate from Government College of Fine Arts, Chennai, India. She has honed her skills at leading ITES companies and advertising agencies, along with a strong head for business developed over more than two decades of working in leadership roles. She has 16 years in the ITES and outsourcing space in a customer-facing role, specifically serving the promotional products and apparel decoration sectors in USA with a host of design solutions. Ms. Vimla Thomas oversees the company's operations across artwork and digitizing services, and is responsible for nurturing and building long-term business relationships with clients, expanding the scope of design services to meet evolving needs, and mentoring teams to ensure design and service quality. Ms. Vimla Thomas has previously headed and directed operations at a leading artwork and digitizing services company, also a pioneer in the space. Prior to this role, she worked as an independent business owner as the founder-designer of Motif – the design place.

**Ms. Hemalatha Rajan** aged 52 years serves as the Managing Director of Varam Capital Private Limited. She is a Finance professional with over 20 years of experience in Finance, Audit, and Executive Search. , Ms. Rajan has a flair for HR and is adept in handling multiple functions like Finance, HR and General Management. Her long professional career includes a stint in SB Billimoria and Co. She serves as a Director in the Boards of Ma Foi Strategic Consultants P Ltd., Ma Foi Educational Services Private Limited, Lymbyc Solutions Private Limited, CIEL IT Solutions Private Limited, Tiara Granites Private Limited, Virudhunagar Kamaraj Memorial Software Private Limited and Lumino Technologies Private Limited. She serves as the Managing Trustee of the Ma Foi Foundation which changed the lives of over 20000 women who are enjoying economic and emotional independence now. Ms. Rajan holds a Bachelor's degree in Commerce from the Nagpur University, India and she is also a Chartered Accountant

**Ms. R. Sneha, BABL (Hons.)**, aged 24 years is a practising advocate at the Hon'ble High Court of Madras. She had done her law graduation at the School of Excellence, The Tamilnadu Dr. Ambedkar Law University, Chennai. She specialises in dispute resolution relating to Intellectual Property matters.

**Mr. A. Hariharan** aged 41 years, holds a Master Degree in Business Administration (MBA) from Griffith University, Australia. He has been in business for more than 18 years now and is actively involved in blue metals, clearing and forwarding and logistics businesses.

### **Confirmations**

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.

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

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such Company.

### Nature of Family Relationship among Directors

There is no family relationship among Directors.

### Borrowing Powers of the Directors

In accordance with the Articles of Association and pursuant to the EGM of our Company held on January 22, 2018, the Board is authorised to borrow money, mortgage, hypothecate and/or charge all of our Company's immovable and movable properties, present and future, in such sum form or manner as the Board may think fit for securing loans already obtained or that may be obtained from our Company's banker or any other banks, financial institution or any other lending institutions or persons, provided that the total amount of money or monies so borrowed (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), by our Company shall not, at any time, exceed ₹20.00 Crores.

### Remuneration to our Directors

Details of remuneration paid to our Directors during Financial Year 2016-17 are set for the in the table below:

Sr. No.	Name of Director	Remuneration (₹ in Lakhs)
1	Mr. R. Prakash	37.40
2	Mr. A. Omer Sherif	30.20
3	Ms.Vimla Thomas	37.40

### Terms of Appointment of our Directors Executive Directors

<b>Name</b>	Mr. R. Prakash
<b>Designation</b>	Managing Director
<b>Period</b>	Appointed for a period of 5 years from January1, 2018 to December 31, 2022
<b>Remuneration</b>	₹ 37.26 lakhs per annum (excluding perquisites and variable pay)

Mr.R.Prakash was appointed as the Managing Director of our Company pursuant to the resolution passed by our Board on December 30,2017and approved by the shareholders in the EGM held on January 22, 2018.

<b>Name</b>	Mr. A. Omer Sheriff
<b>Designation</b>	Whole Time Director
<b>Period</b>	Appointed for a period of 5 years from January1, 2018 to December 31, 2022
<b>Remuneration</b>	₹ 28.98 lakhs per annum (excluding perquisites and variable pay)

Mr. Omer Sheriff was appointed as a Whole-Time Director of our Company pursuant to the resolution passed by our Board on December 30, 2017 and approved by the shareholders in the EGM held on January 22, 2018.

<b>Name</b>	Ms.Vimla Thomas
<b>Designation</b>	Whole-Time Director
<b>Period</b>	Appointed for a period of 5 years from January1, 2018 to December 31, 2022
<b>Remuneration</b>	₹ 37.26 lakhs per annum (excluding perquisites and variable pay)

Ms.Vimla Thomas was appointed as the Whole-Time Director of our Company pursuant to the resolution passed by our Board on December 30, 2017 and approved by the shareholders in the EGM held on January 22, 2018.

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

### Non-Executive Directors

Currently, Non-Executive Directors are not being paid any remuneration apart from payment of sitting fees. We also confirm that no remuneration is being paid to Independent Directors apart from payment of sitting fees.

### Shareholding of Directors in our Company

Other than the following, none of our Directors holds any Equity Shares as of the date of filing this Draft Red Herring Prospectus:

Name of Director	Number of Equity Shares held	Percentage of pre-Issue capital
Mr. R. Prakash	2273352	33.33%
Mr. A. Omer Sheriff	2273321	33.33%
Ms. Vimla Thomas	2273321	33.33%

Our Directors do not hold any outstanding vested options, pursuant to the employee stock option scheme implemented by our Company.

Our Articles of Association do not require our Directors to hold any qualification shares.

### Changes in our Board of Directors during the last three (3) years

The changes in the Directors during last three (3) years are as follows:

Name	Date of appointment	Date of cessation	Reason
R. Prakash	January 22, 2018	-	Re-designated and appointed as Managing Director
A. Omer Sheriff	January 22, 2018	-	Re-designated and appointed as a Whole-Time Director
Vimla Thomas	January 22, 2018	-	Re-designated and appointed as a Whole-Time Director
Hemalatha Rajan	November 23, 2017	-	Appointed as Non-Executive and Independent Director
R Sneha	November 23, 2017	-	Appointed as Non-Executive and Independent Director
A Hariharan	December 30, 2017	-	Appointed as Non-Executive Director

### Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Directors, please refer “*Remuneration to our Directors*” above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue.

Except as stated in the chapter titled “*Related Party Transactions*” on page 126 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

### Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

### Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of five Directors (including two women Directors).

#### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;

Details of each of these committees are as follows:

#### a. Audit Committee;

Our Audit Committee was constituted pursuant to resolution of our Board dated January 22, 2018. The Audit Committee comprises of the following:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Hemalatha Rajan	Chairman	Non-Executive & Independent Director
2.	Ms. R. Sneha	Member	Non-Executive & Independent Director
3.	Mr. R. Prakash	Member	Managing Director

The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

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 / Draft Red Herring 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.

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/Draft Red Herring Prospectus/notice in terms of Regulation 32(7)

#### **b. Nomination and Remuneration Committee**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated January 22, 2018. The constitution of the Nomination and Remuneration committee is as follows:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
1.	Ms. Hemalatha Rajan	Chairman	Non-Executive & Independent Director
2.	Ms. R. Sneha	Member	Non-Executive & Independent Director
3.	Mr. A. Hariharan	Member	Non-Executive Director

The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee shall include the following:

- (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.

#### **c. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated January 22, 2018. The constitution of the Stakeholders' Relationship committee is as follows:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
1.	Ms. Hemalatha Rajan	Chairman	Non-Executive Independent Director.
2.	Ms. R. Sneha	Member	Non-Executive Independent Director
3.	Ms. Vimla Thomas	Member	Whole-Time Director

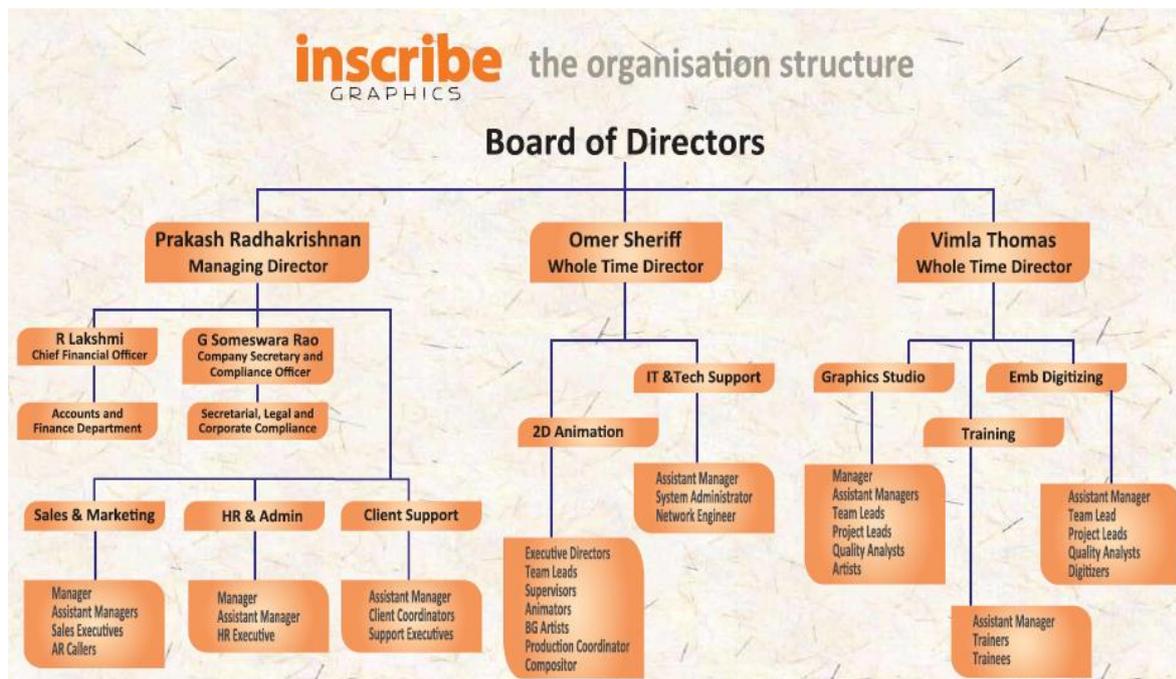
The Company Secretary shall act as the secretary of the Stakeholders’ Relationship Committee.

This Committee is responsible for the redressal of the grievances of the security holders including complaints relate to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act read with Regulation 20 of the Listing Regulations.

Our Company has adopted the following policies:

1. Code of Conduct
2. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
3. Whistle Blower Policy & Vigil Mechanism
4. Related Party Transactions (RTP) Policy
5. Policy for Preservation of Documents & Archival of Documents
6. Policy for Prevention of Sexual Harassment

**Organization Structure**



The Management Organization Structure of the Company is depicted in the following chart:

**Our Key Managerial Personnel**

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of administration / finance / distribution / marketing and corporate laws.

In addition to our Managing Director Mr. R. Prakash and Mr. A. Omer Sheriff, and Ms. Vimla Thomas, Whole-Time Directors, following key personnel assist the management of our Company:-

Name of the KMP	Date of Joining	Designation	Functional Responsibilities
Ms. Lakshmi R	May 1, 2013 (She has been appointed as Chief Financial Officer w.e.f. January 22, 2018)	Chief Financial Officer	She is responsible for financial planning, financial risk management, corporate tax matters and reporting to the Board on all aspects related to finance and taxation.
G. Someswara Rao	January 23, 2018	Company Secretary And Compliance Officer	He is responsible for ensuring compliances under the Companies Act, regulations of Stock Exchanges and SEBI and all relevant statutes

For details of our Managing Director please refer chapter “*Our Management*” on page 109 of this Draft Red Herring Prospectus.

#### **Brief Profile of Key Managerial Personnel:**

**Ms. Lakshmi R** aged 35 years, is the Chief Financial Officer of our Company. She is a Commerce Graduate and joined the Company more than 4 years back. She has overall work experience of about 13 years. She is responsible for the finance and accounting operations of the company and will provide the management with periodical MIS for decision making.

**Mr. G. Someswara Rao**, aged 64 years, is the Company Secretary and Compliance Officer of the Company. He joined the company with effect from 22/01/2018. He is a post graduate in commerce from Andhra University and had qualified as a Company Secretary in the year 1990. He has also completed law graduation from Andhra University in the year 1993. Prior to joining the company he was Company Secretary of Secunderabad Hotels Limited. He was the Managing Director of Vadodara Stock Exchange Limited for a period of two years and prior to that he was the Executive Director of Hyderabad Stock Exchange Limited for a period of 5 years. He will look into all the compliance aspects under various laws including SEBI and Stock Exchange Regulations and Companies Act, 2013.

#### **Status of Key Managerial Personnel**

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

#### **Family Relationship between Key Managerial Personnel**

As on date, none of the key managerial personnel is having family relation with each other.

#### **Arrangements and Understanding with major Shareholders**

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

#### **Shareholding of the Key Managerial Personnel**

Except Mr R. Prakash, Promoter and Managing Director of the Company holding 22,73,352 Equity Shares, Mr. A. Omer Sheriff, Promoter and Whole-Time Director of the Company holding 22,73,321 Equity Shares and Ms. Vimla Thomas, Promoter and Whole-Time Director of the Company holding 22,73,321 Equity Shares, as on date, none of the key managerial persons are holding Equity Shares of our Company.

#### **Bonus or Profit Sharing Plan for the Key Managerial Personnel**

There is no profit sharing plan for the key managerial personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

#### **Loans to Key Managerial Personnel**

There is no loan outstanding against key managerial personnel as on date of this Draft Red Herring Prospectus.

### Interest of Key Managerial Personnel

Except Mr R. Prakash, Promoter and Managing Director of the Company, Mr. A. Omer Sheriff, Promoter and Whole-Time Director of the Company and Ms. Vimla Thomas, Promoter and Whole-Time Director of the Company, the key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

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

### Changes in Key Managerial Personnel of our Company during the Last Three (3) Years

For details of changes regarding our Promoter and Managing Director, Mr. R. Prakash, our Promoters and Whole-Time Directors, Mr. A. Omer Sheriff and Ms. Vimla Thomas, during last three years please refer chapter titled “*Our Management*” on page 109 of this Draft Red Herring Prospectus.

Set forth below are the changes in the key managerial personnel of our Company during the last three (3) years.

Name	Date of appointment	Date of cessation	Reason
Ms. Lakshmi R	January 22,2018	-	Appointment as CFO
G. Someswara Rao	January 23 ,2018	-	Appointment as Company Secretary

### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Red Herring Prospectus.

### Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

### Employees

The details about our employees appear under the Paragraph titled “*Human Resource*” beginning on page 98 of this Draft Red Herring Prospectus.

**OUR PROMOTERS AND PROMOTER GROUP**

The Promoters of our Company are:

1. Mr. R. Prakash
2. Mr. A. Omer Sheriff
3. Ms. Vimla Thomas

**1. Mr. R. Prakash**

	Mr. R Prakash, aged 46 years is one of the Promoters and the Managing Director of our Company. He holds a Master’s Degree in Business Administration from Madras University, Chennai, India. He has more than 10 years of experience in systems and BPO operations. For more details, please refer chapter titled “ <i>Our Management</i> ” beginning on page 109 of this Draft Red Herring Prospectus.
<b>Address</b>	Flat No.3, Plot No.336, Cee Dee Yes, SaptaswaraApartments, 6 <sup>th</sup> Main Road, Vijayanagar, Velachery, Chennai-600042, Tamil-Nadu
<b>Occupation</b>	Business
<b>Permanent Account Number</b>	AHXPO2409C
<b>Passport Number</b>	R 0866698
<b>Driving License Number</b>	TN05 19920000363
<b>Aadhar Card Number</b>	6729 4900 7013

**2. Mr. A. Omer Sheriff**

	Mr. A. Omer Sheriff aged 44 years, is one of the Promoters and Whole-Time Directors of the Company. He has completed his degree in Bachelor of Business Administration from Madras University. He has more than 10 years of experience in Data processing, IT Infrastructure and Business Development. For more details please refer chapter titled “ <i>Our Management</i> ” beginning on page 109 of this Draft Red Herring Prospectus.
<b>Address</b>	Plot No. 188, 2 <sup>nd</sup> Main Road, New Kumaran Nagar, Sholinganallur, Chennai-600119, Tamil Nadu
<b>Occupation</b>	Business
<b>Permanent Account Number</b>	AAGPO9652E
<b>Passport Number</b>	H 9578212
<b>Driving License Number</b>	TN07 20070009950
<b>Aadhar Card Number</b>	7246 6378 0384

### 3. Ms. Vimla Thomas

	<p>Ms. Vimla Thomas, aged 51 years, is one of the Promoters and Whole-Time Directors of the Company. Ms. Vimla Thomas is a graduate from the Government College of Fine Arts, Chennai, India. She has more than 15 years of experience in ITES segment. For more details, please refer chapter titled “<i>Our Management</i>” beginning on page 109 of this Draft Red Herring Prospectus.</p>
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<b>Address</b>	1G Block-3, Ramaniyam Eden, Velachery Main Road, Chennai-600042, Tamil Nadu
<b>Occupation</b>	Business
<b>Permanent Account Number</b>	AFTPR6108N
<b>Passport Number</b>	P7199192
<b>Driving License Number</b>	TN0920010005514
<b>Aadhar Card Number</b>	2798 4649 2916

#### Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of the Promoters will be submitted to the National Stock Exchange of India Limited Emerge, where the securities of our Company are proposed to be listed at the time of submission of this Draft Red Herring Prospectus.

#### Common Pursuits of our Promoters

Except as mentioned in chapter titled “*Group Companies / Entities*” beginning on page 124, our Promoters have not promoted any *Group Companies/Entities* which are engaged in the line of business similar to our Company as on the date of this Draft Red Herring Prospectus. For more details please refer Section titled “*Our Promoters and Promoter Group*” & “*Group Companies/Entities*” on page 120 & 124 of this Draft Red Herring Prospectus respectively. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

#### Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoter in our Company, please refer sections “*Capital Structure*” and “*Our Management*” on pages 50 and 109 respectively of this Draft Red Herring Prospectus.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “*Annexure[●] of Related Party Transactions*” appearing under section titled “*Financial Information*” of the Company beginning on page 128 of this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

#### Interest in the property of Our Company

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Red Herring Prospectus, or in any transaction by our Company.

### **Payment amounts or benefit to our Promoters during the last two years**

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Red Herring Prospectus except as mentioned / referred to in this chapter and in the section titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 109,128 and 50 respectively of this Draft Red Herring Prospectus. Further as on the date of this Draft Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

### **Confirmations**

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 156 of this Draft Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

### **Other ventures of our Promoters**

Save and except as disclosed in the section titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” beginning on page 120&124 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” on page 156 of this Draft Red Herring Prospectus.

### **Shareholding of the Promoters and Promoter Group in our Company**

Except as disclosed in “*Capital Structure*”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

### **Related Party Transactions**

For the transactions with our Promoter Group entities, please refer to section titled “*Related Party Transactions*” on page 126 of this Draft Red Herring Prospectus.

Except as stated in “*Related Party Transactions*” on page 126 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

### **Companies with which the Promoters are disassociated in the last three years**

None of the Promoters have disassociated with any Company in last three years.

### Our Promoter Group

In addition to the Promoters of our Company, the following individuals and entities form a part of the Promoter Group.

#### **Individuals forming part of Promoter Group**

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations

Promoters	R Prakash	A Omer Sheriff	Vimla Thomas
Father	SK Radharkrishnan	Aneez	Thomas Vadakekkara
Mother	R Rathinam	Mohideen Fathima	Teresa Thomas
Spouse	V S Vijayapriya	S Sanjeetha Fathima	-
Brother(s)	-	A Nazeer Hameed and A Sultan Hameed	Lali Antony and Raju Thomas
Sister(s)	Seematti MannarMannan	A Meera Shanaaz	Mercy Murugan, Annie Thomas, Susheela Beens, Elizabet Paul, Cicily Thomas and George Thomas
Son	-	O Hashim	-
Daughter(s)	-	O Afreen and O Farida	-
Spouse Father	AV Sakthivel	Sardar Shahul Hammed	-
Spouse Mother	Sakthivel Saraswathy Devi	Ruhi Hameed	-
Spouse Brother(s)	Anand Sakthivel	S. Arif Meeran	-
Spouse Sister(s)	-	-	-

#### **Entities forming part of the Promoter Group**

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations:

Inscribe BPO Private Limited

#### **Hindu Undivided Families forming part of the Promoter Group:**

NIL

### GROUP COMPANIES/ENTITIES

Pursuant to the requirement of SEBI ICDR Regulations, the Group Companies includes entities covered under the applicable accounting standards, being AS 18 (as identified under the Restated Financial Statements) and also other entities as considered material by the Board of the Company.

As per Materiality Policy on Group Companies approved in the meeting of the Board of Directors of our company held on [●], the Group Company shall be considered material for the purpose of disclosure in this Draft Red Herring Prospectus of the Company if such Company /Entity is included in the list of related parties under AS 18 (as identified under the restated financial statements) and such Company/entity is part of Promoter Group in terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

Sr. No.	Name of Entity	Status
1	Inscribe BPO Private Limited	Private Limited Company

#### Listed Companies within our Group Companies

There is no listed Company in our Group Companies.

#### Unlisted Companies within our Group Companies/Entities:-

##### 1. Inscribe BPO Private Limited

Inscribe BPO Private Limited was incorporated on March 26, 2007 to carry on the business of non-voice BPO Services.

#### Interest of our Promoters

The shareholding details of our Promoters in Inscribe BPO Private Limited are given in the table below:

Sr. No.	Name of Promoter	Shareholding (%)
1	R. Prakash	50.00
2	A Omer Sheriff	50.00
	<b>Total</b>	<b>100.00</b>

#### Financial Information

(₹. In Lakhs)

Particulars	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015
Total Income	249.31	239.63	196.97
Net Profit/ (Loss) – After Tax	38.47	29.28	5.95
Net Worth	109.56	71.08	41.80

#### Interest of Group Entities in our Company

Our group entities do not have any interest in

- the promotion of our Company
- any property acquired by our Company within the last two years or proposed to be acquired by our Company
- in any transaction for acquisition of land, construction of building and supply of machinery

No part of the Issue Proceeds is payable to our group entities mentioned above.

### **Undertaking / Confirmations**

Our Promoters, Promoter Group and Group Companies/entities have further confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “*Risk Factors*”, “*Our Promoter and Promoter Group*”, “*Group Companies / Entities*” and “*Outstanding Litigations and Material Developments*” on pages 13,120, 124 and 156 of this Draft Red Herring Prospectus,. Additionally, none of our Promoters, Promoter Group and Group Companies/Entities have been restrained from accessing the capital market for any reasons by the SEBI or any other authorities except as stated under chapters “*Risk Factors*”, “*Our Promoter and Promoter Group*”, “*Group Companies / Entities*” and “*Outstanding Litigations and Material Developments*” on pages 13,120,124, and 156 respectively of this Draft Red Herring Prospectus.

### **Common Pursuits**

There are no common pursuits between our company and our Group Entity – Inscribe BPO Private Limited.

### **Litigation/ Defaults**

For details relating to legal proceedings involving the Promoters, Promoter Group and Group Companies/Entities, see the section titled “*Outstanding Litigation and Material Developments*” beginning on page 156 of this Draft Red Herring Prospectus.

### **Related Business Transaction within the Group and Significance on Financial Performance**

There are no business transactions between our Company and the Promoter Group Companies except as stated on under section titled as “*Related Party Transactions*” on page 126 in this Draft Red Herring Prospectus.

### **Sale or Purchase between our company and our Promoter Group Companies**

There are no sales or purchases between our Company and any Company in the Promoter Group and the Group Companies / Entities except as stated on under the titled “*Related party transactions*” on page 126 in this Draft Red Herring Prospectus exceeding 10% of the sales or purchases of our Company.

### **Sick Companies**

There are no Companies in our Promoter group and the Group Companies / Entities listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Promoter Group Companies and the Group Companies / Entities. Further, no application has been made by any of these Companies to ROC to strike off their name.

### **Defunct Group Companies and Entities**

None of our Promoter Group Companies and the Group Companies / Entities has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of this Draft Red Herring Prospectus.

**RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure XXV of restated financial statement under the section titled, 'Financial Statements' beginning on page 128 of this Draft Red Herring Prospectus.

### **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous financial years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION V – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

#### **Auditors' Report on Restated Financial Statements**

To  
The Board of Directors  
**Inscribe Graphics Limited**  
174 Developed Plots, Industrial Estate  
Perungudi, Chennai-600096

Dear Sirs,

We have examined the attached restated summary statement of assets and liabilities of **Inscribe Graphics Limited (formerly Inscribe Graphics Private Limited** and hereinafter referred to as “**the Company**”) as on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 restated summary statement of profit and loss and restated summary statement of cash flows for the period ended on September 30, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the “**restated summary statements**” or “**restated financial statements**”) annexed to this report and initialled by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on Emerge Platform of National Stock Exchange (“**NSE**”).

1. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”)
2. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference to our engagement letter with the Merchant Banker dated January 16, 2018 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in Emerge Platform of Stock Exchange (“**IPO**” or “**SME IPO**”); and
  - (ii) (The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
3. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on September 30, 2017 and for the financial year ended March 31 2017, 2016, 2015, 2014 and 2013.
4. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The “**restated statement of asset and liabilities**” of the Company as on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The “**restated statement of profit and loss**” of the Company for the period ended on September 30, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure II** to this report read with significant

accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The “**restated statement of cash flows**” of the Company for the period ended on September 30, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

5. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
  - a) Using consistent accounting policies for all the reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) There are no audit qualifications in the audit reports issued by the statutory auditor for the period ended on September 30, 2017 and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 which would require adjustments in this restated financial statements of the Company.
  
6. Audit for the period ended on September 30, 2017 was conducted by us, Ramraj & Co., and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 by R. Baskaran & Co., which have been approved by Board of Directors at their meetings held on 22<sup>nd</sup> January, 2018, 2<sup>nd</sup> August 2017, 2<sup>nd</sup> August 2016, 2<sup>nd</sup> September 2015, 5<sup>th</sup> September 2014 and 2<sup>nd</sup> September 2013 respectively. The financial report included for these period is based solely on the reports submitted by them.
  
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended on September 30, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

**Annexure to restated financial statements of the Company:-**

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary statement of cash flow as restated as appearing in ANNEXURE III;
4. Significant accounting policies as restated as appearing in ANNEXURE IV;
5. Reconciliation of Restated Profit as appearing in Annexure V to this report;
6. Details of share capital as restated as appearing in ANNEXURE VI to this report;
7. Details of reserves and surplus as restated as appearing in ANNEXURE VII to this report;
8. Details of long term borrowings as restated as appearing in ANNEXURE VIII to this report;
9. Details of deferred tax asset/liability as restated as per ANNEXURE IX to this report;
10. Details of short term borrowings as restated as appearing in ANNEXURE X to this report;
11. Details of trade payables as restated as appearing in ANNEXURE XI to this report;
12. Details of other current liabilities as restated as appearing in ANNEXURE XII to this report;
13. Details of short term provisions as restated as appearing in ANNEXURE XIII to this report;
14. Details of fixed assets as restated as appearing in ANNEXURE XIV to this report;
15. Details of noncurrent investments as restated as appearing in ANNEXURE XV to this report;
16. Details of other non-current assets as restated as appearing in ANNEXURE XVI to this report;
17. Details of trade receivables as restated as appearing in ANNEXURE XVII to this report;
18. Details of cash & cash equivalents as restated as appearing in ANNEXURE XVIII to this report;

19. Details of short term loans & advances as restated as appearing in ANNEXURE XIX to this report;
20. Details of other financial assets as restated as appearing in ANNEXURE XX to this report;
21. Details of other current assets as restated as appearing in ANNEXURE XXI to this report;
22. Details of revenue from operations as restated as appearing in ANNEXURE XXII to this report;
23. Details of other income as restated as appearing in ANNEXURE XXIII to this report;
24. Details of contingent liabilities a restated as appearing in ANNEXURE XXIV
25. Details of related party transactions as restated as appearing in ANNEXURE XXV to this report;
26. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXVI to this report,
27. Capitalization Statement as at September 30, 2017 as restated as appearing in ANNEXURE XXVII to this report;
28. Statement of tax shelters as restated as appearing in ANNEXURE XXVIII to this report;

8. We, Ramraj & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
9. We have carried out re-audit of the financial statements for the year ended on March 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2017.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXVIII of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Ramraj & Co.**

**Chartered Accountants**

Firm Registration no:002839S

**A Amarnatha Reddy**

**Partner**

Membership No.213102

**Chennai**

January 22, 2018

**Annexure-I**  
**Restated Balance Sheet**

(₹ in Lakhs)

S. No.	Particulars	As September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>						
<b>1</b>	<b>Shareholders' funds</b>						
	(a) Share capital	682.00	44.00	44.00	44.00	44.00	44.00
	(b) Reserves and surplus	179.89	698.09	454.69	255.91	140.82	81.85
		<b>861.89</b>	<b>742.09</b>	<b>498.69</b>	<b>299.91</b>	<b>184.82</b>	<b>125.85</b>
<b>2</b>	<b>Non-current liabilities</b>						
	(a) Long-term borrowings	-	-	-	-	20.00	-
	(b) Deferred tax liabilities (Net)	12.38	5.18	12.18	2.55	6.62	5.94
		<b>12.38</b>	<b>5.18</b>	<b>12.18</b>	<b>2.55</b>	<b>26.62</b>	<b>5.94</b>
<b>3</b>	<b>Current liabilities</b>						
	(a) Short-term borrowings	-	-	40.06	-	-	-
	(b) Trade payables	33.60	10.81	12.38	13.09	9.79	2.74
	(c) Other current liabilities	90.03	85.98	117.27	124.74	101.51	175.48
	(d) Short-term provisions	-	-	11.92	16.41	6.64	11.08
		<b>123.63</b>	<b>96.79</b>	<b>181.63</b>	<b>154.24</b>	<b>117.94</b>	<b>189.30</b>
	<b>Total</b>	<b>997.90</b>	<b>844.05</b>	<b>692.50</b>	<b>456.70</b>	<b>329.38</b>	<b>321.08</b>
<b>II.</b>	<b>ASSETS</b>						
<b>1</b>	<b>Non-current assets</b>						
	(a) Fixed assets						
	(i) Tangible assets	137.52	98.83	124.39	74.93	77.46	34.08
	(ii) Intangible assets	24.41	32.11	41.27	46.78	31.89	24.03
	(b) Capital Advances (Unsecured, Considered Good)	43.73	-	-	-	-	54.51
		<b>161.93</b>	<b>130.94</b>	<b>165.66</b>	<b>121.71</b>	<b>109.35</b>	<b>58.11</b>
	(c) Non-current investments	12.88	12.88	12.88	12.88	12.88	17.66
	(d) Income Tax Assets (Net or Provisions)	<b>35.48</b>	<b>11.76</b>				
		<b>254.02</b>	<b>155.58</b>	<b>178.54</b>	<b>134.59</b>	<b>122.23</b>	<b>130.28</b>
<b>2</b>	<b>Current assets</b>						
	(f) Inventories		-	-	-	-	-
	(g) Trade receivables	203.11	130.14	116.80	91.51	77.04	70.41
	(h) Cash and cash equivalents	271.84	411.23	289.27	175.24	85.15	74.44
	(i) Short-term loans and advances	91.61	111.51	85.39	45.36	34.96	35.95
	(j) Other Current Assets	122.83	35.59	22.50	10.00	10.00	10.00
		<b>743.89</b>	<b>688.47</b>	<b>513.96</b>	<b>322.11</b>	<b>207.15</b>	<b>190.80</b>
	<b>Total</b>	<b>997.90</b>	<b>844.05</b>	<b>692.50</b>	<b>456.70</b>	<b>329.38</b>	<b>321.08</b>

**Annexure -II**  
**Restated Statement of Profit & Loss Account**

(₹ in Lakhs)

S. No.	Particulars	For 6 Months period ended on September 30,2017	For the year ended March 31				
			2017	2016	2015	2014	2013
<b>I.</b>	Revenue from operations	747.84	1,338.98	1,100.05	839.03	703.11	442.99
<b>II.</b>	Other income	5.65	56.80	33.89	7.77	23.46	14.39
<b>III.</b>	<b>Total Revenue (I + II)</b>	<b>753.49</b>	<b>1,395.78</b>	<b>1,133.94</b>	<b>846.80</b>	<b>726.57</b>	<b>457.38</b>
<b>IV.</b>	<b>Expenditure</b>						
	Employee benefits expense	410.53	739.85	590.49	501.90	340.28	272.04
	Finance costs	-	0.60	1.39	-	-	-
	Depreciation and amortization expense	31.39	59.11	42.80	51.25	47.76	14.68
	Other expenses	143.91	234.92	187.24	168.03	251.67	110.40
	<b>Total expenses</b>	<b>585.83</b>	<b>1,034.48</b>	<b>821.92</b>	<b>721.18</b>	<b>639.71</b>	<b>397.12</b>
<b>V.</b>	<b>Profit Before Tax (III - IV)</b>	<b>167.66</b>	<b>361.30</b>	<b>312.02</b>	<b>125.62</b>	<b>86.86</b>	<b>60.26</b>
<b>VI.</b>	<b>Tax expense:</b>						
	Current tax	42.73	126.00	107.60	48.62	27.50	16.50
	Short/(Excess) provision of tax	(2.07)	(1.08)	(4.00)	(3.34)	(0.29)	(0.14)
	Deferred tax	7.20	(7.01)	9.64	(4.07)	0.68	2.49
		47.86	117.91	113.24	41.21	27.90	18.84
<b>VII.</b>	<b>Profit (Loss) for the period (V- VI)</b>	<b>119.80</b>	<b>243.39</b>	<b>198.78</b>	<b>84.41</b>	<b>58.96</b>	<b>41.42</b>
<b>VIII.</b>	<b>Earnings per Equity Share</b>						
	(Considering Bonus Issue)						
	Basic	3.51	3.57	2.91	1.24	0.86	0.61
	Diluted	3.51	3.57	2.91	1.24	0.86	0.61

**Notes:**

- 1 The above statement should be read with the accounting policies as appearing in Annexure IV
- 2 The Company has issued 63,80,000 bonus shares on 29th August 2017.
- 3 In line with the Accounting Standard 20, calculation of basic and diluted earnings per share for the period ending 30 September 2017 and for all the earlier years has been done considering issue of bonus shares from the beginning earliest reporting period (FY 2012-13) so as to make it comparative.
- 4 EPS for the period ending 30 September 2017 has been annualized to make it comparative

**Annexure -III**  
**Restated Cash Flow Statement**

(₹ in Lakhs)

Sr. No.	Particulars	For the six months ended 30.09.2017	For the year ended March 31				
			2017	2016	2015	2014	2013
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:-</b>						
	Net Profit before Tax as per Profit & Loss Account	167.66	361.30	312.02	125.62	86.86	60.26
	<b>Adjusted for:</b>						
	Depreciation and Amortisation Expenses	31.39	59.11	42.80	51.25	47.76	14.68
	Loss on Sale of Asset	-	-	-	-	2.59	
	Profit on sale of Investments	-	-	-	-	(0.81)	(5.06)
	Finance Costs	-	0.60	1.39	-	-	-
	<b>Operating Profit before Working Capital Changes</b>	<b>199.05</b>	<b>421.01</b>	<b>356.21</b>	<b>176.87</b>	<b>136.40</b>	<b>69.88</b>
	<b>Adjusted for:</b>						
	Trade Receivables	(72.97)	(13.34)	(25.29)	(14.47)	(6.63)	(49.99)
	Short Term loans & Advances	19.92	(26.12)	(40.03)	(10.40)	0.99	(24.87)
	Other Financial Assets	(87.24)	(13.09)	(12.50)	-	-	-
	Other Current Assets	(54.50)	-	-	-	-	-
	Trade Payable, Other Current Liabilities & Provisions	26.84	(72.92)	31.88	26.53	(66.92)	115.11
	<b>Cash Generated From Operations</b>	<b>(167.95)</b>	<b>(125.47)</b>	<b>(45.94)</b>	<b>1.66</b>	<b>(72.56)</b>	<b>40.25</b>
	Taxes Paid	(64.38)	(148.58)	(108.10)	(35.52)	(31.65)	(12.05)
	<b>Net Cash from Operating Activities</b>	<b>(33.28)</b>	<b>146.96</b>	<b>202.17</b>	<b>143.01</b>	<b>32.19</b>	<b>98.08</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:-</b>						
	Purchase of Fixed Assets	(62.37)	(24.40)	(86.75)	(32.92)	(47.98)	(40.00)
	Capital advances	(43.73)					(54.51)
	Investments made						(10.48)
	Proceeds from sale of Fixed Assets	-	-	-	-	0.90	-
	Proceeds from sale of Investments	-	-	-	-	5.60	44.86
	<b>Net Cash ( used in) Investing Activities</b>	<b>(106.10)</b>	<b>(24.40)</b>	<b>(86.75)</b>	<b>(32.92)</b>	<b>(41.48)</b>	<b>(60.13)</b>

<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:-</b>						
	Proceeds from Long Term Borrowings ( Net)	-	-	-	(20.00)	20.00	-
	Finance Cost	-	(0.60)	(1.39)	-	-	-
	<b>Net Cash ( used in)/ from Financing Activities</b>	<b>-</b>	<b>(0.60)</b>	<b>(1.39)</b>	<b>(20.00)</b>	<b>20.00</b>	<b>-</b>
<b>D.</b>	<b>Net Increase in Cash or Cash Equivalents ( A + B +C )</b>	<b>(139.38)</b>	<b>121.96</b>	<b>114.03</b>	<b>90.09</b>	<b>10.71</b>	<b>37.95</b>
<b>E.</b>	<b>Opening Balance of Cash and Cash Equivalents</b>	411.23	289.27	175.24	85.15	74.44	36.49
	<b>Closing Balance of Cash and Cash Equivalents ( D + E )</b>	<b>271.84</b>	<b>411.23</b>	<b>289.27</b>	<b>175.24</b>	<b>85.15</b>	<b>74.44</b>

#### ANNEXURE IV

#### Notes to Balance Sheet and Profit & Loss

#### BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

##### a. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 2017, March 2017, 2016, 2015, 2014 and 2013 and the related restated summary statement of profits and loss and restated summary statement of cash flows for the period ended on 30<sup>th</sup> September, 2017 and year ended 31<sup>st</sup> March 2017, 2016, 2015, 2014 and 2013 (herein collectively referred to as 'restated summary statements') have been compiled by the management from the audited financial statements of the Company for the period ended on 30<sup>th</sup> September, 2017 and year ended 31<sup>st</sup> March 2017, 2016, 2015, 2014 and 2013, approved by the Board of Directors of the Company. The restated summary statements have been prepared to comply in all material respects with the provisions of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014; The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI") and Guidance note on reports in Companies Prospectus (Revised). The restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Emerge Platform of NSE Ltd. in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

##### b. Accounting Conventions

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all applicable Accounting Standards Specified under Section 133 of the Companies Act, 2013, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared on going concern basis and accrual method of accounting under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Based on the nature of service and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non- current classification of assets and liabilities.

**c. Use of Estimates**

The preparation of financial statements requires management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities on the date of financial statements and the reported balances of assets and liabilities on the date of financial statements and the reported amount of income and expenses during the reported year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to change in these estimates and the difference between actual results and the estimates are recognized in the periods in which the results are known/materialize.

**d. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**e. Fixed Assets**

Fixed assets are assets held with the intention of being used for purpose of producing or providing goods and services and is not held for sale in the ordinary course of business.

**i. Tangible Fixed Assets**

Tangible assets are stated at cost and other incidental expenses, less accumulated depreciation and impairment losses, if any. The costs include all expenses incurred to bring the assets to its present location and condition. Further any trade discounts and rebates are deducted in arriving at the cost.

**ii. Intangible Fixed Assets**

Intangible assets are identifiable non-monetary assets, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. The intangible assets are separately acquired and are capable of being measured reliably. The cost of intangible asset comprises the purchase price and any directly attributable cost on making the assets ready for intended use.

**f. Depreciation & Amortization**

Depreciation on fixed assets for the year ended on March 31, 2014 and 2013 is calculated using the rates prescribed under Schedule XIV of the Companies Act, 1956 under the written down value method. Pursuant to the enactment of Companies Act, 2013 the Company has, effective from April 1, 2014 reworked deprecation on straight line basis over the useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Intangible Assets are amortized over a period of 10 years on a straight line basis.

**g. Investments:**

Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

**h. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**i. Expenses**

Expenses are accounted on accrual basis and provisioning is made for all known liabilities.

**j. Foreign Currency Transactions**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Exchange difference arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Foreign currency transactions are recorded in the reporting currency by applying the exchange rate as on the date of transaction between the reporting currency and the foreign currency.

**k. Borrowing Cost:**

Borrowing costs are charged to the Statement of Profit and Loss except that are attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

**l. Employee Benefits**

i) Short term employee benefits are recognized as an expense at the undiscounted amount in profit & loss account for the period in which related services are rendered.

ii) Defined Contribution plans: Company's contributions paid/payable during the year towards Provident Fund are recognized in the profit & loss account. Gratuity contributions are made under the Group Gratuity Scheme administered by LIC of India.

**m. Income Tax**

Tax expense comprises of current tax and deferred tax. Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961. It is measured at the amount expected to be paid to / recovered from the tax authorities using the applicable tax rate. Income and expenses for the year has been estimated and average rate of tax has been applied for creating provision for income-tax. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between taxable income and accounting income which are capable of reversal in subsequent periods and are measured using relevant enacted tax rates. Average rate of tax has been used to compute deferred tax provision.

**n. Lease**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized as an expense in the statement of Profit and loss account on a straight-line basis over the lease term.

**o. Provisions**

- i) The company recognizes provision when there is a present obligation of the enterprise arising from past events, the settlement of which is expected to result in an outflow from the enterprise of resources embodying economic benefits which can be measured only by using a substantial degree of estimation.
- ii) Provision for carrier payments has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

**p. Contingent Liabilities**

The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions fulfilled:

- i) a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- ii) a present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - a reliable estimate of the amount of the obligation cannot be made.

**iii) Impairment of Assets**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash-generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Accordingly, the company determines whether provisions should be made for the impairment loss as per recognition and measurement principles laid down in AS-28 "Impairment of Assets".

## 2) Notes on accounts as restated

- a) The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.
- b) The company has not been providing for Gratuity up to 31<sup>st</sup> March 2014 and was paying gratuity to the eligible employees when they left the company. From FY 2014-15 onwards the Company has joined a Group Gratuity Scheme administered by LIC of India. Gratuity has been provided in these restated accounts using the actuarial valuation methods for the FY 2012-13 and FY 2013-14 and for the six months period ending September 30, 2017.
- c) Unbilled revenues represent amounts recognised as revenues (Graphic Designing works) for which invoices have not been prepared as bills are prepared based on specified billing cycles.
- d) Work-in-progress (animation) represents the expenditure incurred by the company on on-going projects and where the works completed have not come up to the stage of billing as per terms agreed to with the clients.
- e) Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- f) Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the company for all the years and the requirements of the securities and Exchange board of India (Issue of Capital and Disclosure Requirement) Regulations 2009.

## ANNEXURE V: STATEMENT OF NOTES TO SHARE CAPITAL, AS RESTATED

(₹ in Lakhs)

Particulars	As at 30 September 2017	As At 31st March				
		2017	2016	2015	2014	2013
<b>Authorised</b>						
Equity Shares of Rs. 10/- each	1,100.00	50.00	50.00	50.00	50.00	50.00
<b>Issued</b>						
Equity Shares of Rs. 10/- each	682.00	44.00	44.00	44.00	44.00	44.00
<b>Subscribed &amp; Paid up</b>						
Equity Shares of Rs. 10/- each fully paid	<b>682.00</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>

**ANNEXURE VI: STATEMENT OF RESERVE AND SURPLUS, AS RESTATED**
*(₹ in Lakhs)*

Particulars	As at 30 September 2017	As At 31st March				
		2017	2016	2015	2014	2013
<b>Surplus/ ( Deficit) in Profit &amp; Loss A/c</b>						
Opening balance	698.09	454.69	255.91	140.82	81.85	40.43
(+) Net Profit For the current year/period	119.80	243.39	198.78	84.41	58.96	41.42
(-) Transfer to Reserves		-	-	(30.68)	(0.01)	-
(-) Capitalisation of Profits by issue of bonus shares	638.00					
<b>Closing Balance</b>	<b>179.89</b>	<b>698.09</b>	<b>454.69</b>	<b>255.91</b>	<b>140.82</b>	<b>81.85</b>

**Reconciliation of equity shares outstanding is set out below**

Equity Shares	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Shares outstanding at the beginning of the year	440,000	440,000	440,000	440,000	440,000	440,000
Add: Shares issued during the year (Bonus Shares)	6,380,000	-	-	-	-	-
Shares outstanding at the end of the year	6,820,000	440,000	440,000	440,000	440,000	440,000

**ANNEXURE VII : STATEMENT OF LONG TERM BORROWINGS, AS RESTATED**
*(₹ in Lakhs)*

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>Secured</b>	-					
(a) From banks		-	-	-	-	-
(b) From Other Parties		-	-	-	-	-
<b>Unsecured</b>	-					
(a) Loans & Advances from Directors/ Related Party	-	-	-	-	20.00	-
<b>Total</b>	-	-	-	-	<b>20.00</b>	-

**The details of shareholder holding more than 5% shares is set out below:**

Name of Shareholder	As at 30 September 2017		As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014		As at 31st March 2013	
	Number of equity shares	% of holding	Number of equity shares	% of holding	Number of equity shares	% of holding	Number of equity shares	% of holding	Number of equity shares	% of holding	Number of equity shares	% of holding
R Prakash	2,273,352	33.33	146,668	33.33	146,668	33.33	146,668	33.33	146,668	33.33	146,668	33.33
A Omar Sheriff	2,273,321	33.33	146,666	33.33	146,666	33.33	146,666	33.33	146,666	33.33	146,666	33.33
Vimla Thomas	2,273,321	33.33	146,666	33.33	146,666	33.33	146,666	33.33	146,666	33.33	146,666	33.33
<b>Total</b>	<b>6,819,994</b>	<b>100.00</b>	<b>440,000</b>	<b>100.00</b>	<b>440,000</b>	<b>100.00</b>	<b>440,000</b>	<b>100.00</b>	<b>440,000</b>	<b>100.00</b>	<b>440,000</b>	<b>100.00</b>

**ANNEXURE VIII: STATEMENT OF DEFERRED TAX LIABILITY/ ( ASSETS) , AS RESTATED**
*( ₹ in Lakhs)*

Long Term Borrowings	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>Deferred Tax Liability</b>						
Related to Fixed Assets	13.67	9.26	14.62	5.22	8.56	6.94
Related to others	-	-	-	-	-	-
<b>Deferred Tax Assets</b>						
Related to Fixed Assets	-					-
Less: Related to others	1.29	4.08	2.44	2.67	1.94	1.00
<b>Total</b>	<b>12.38</b>	<b>5.18</b>	<b>12.18</b>	<b>2.55</b>	<b>6.62</b>	<b>5.94</b>

**ANNEXURE IX : STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED**
*( ₹ in Lakhs)*

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>Secured</b>						
<b>(a) Working Capital Loans</b>						
From Banks	-	-	40.06	-	-	-
<b>Unsecured</b>						
<b>(a) Loan &amp; advances from related</b>						
	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40.06</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE X : STATEMENT OF TRADE PAYABLE AND OTHER CURRENT LIABILITIES, AS RESTATED**
*( ₹ in Lakhs)*

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>TRADE PAYABLES</b>						
Micro, Small and Medium Enterprises		-	-	-	-	-
Others	33.60	10.81	12.38	13.09	9.79	2.74
<b>Total</b>	<b>33.60</b>	<b>10.81</b>	<b>12.38</b>	<b>13.09</b>	<b>9.79</b>	<b>2.74</b>

**ANNEXURE XI: STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**
*( ₹ in Lakhs)*

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>OTHER CURRENT LIABILITIES</b>						
Audit Fees Payable		2.25	1.59	1.32	1.14	0.84
Advance from customers		3.69	3.68	3.64	3.56	2.23
Liability for expenses		4.91	6.73	39.41	45.12	48.49
Salaries and reimbursements		57.57	44.72	53.72	55.91	36.26
Statutory liabilities		21.61	29.26	19.18	19.01	13.69
<b>Total</b>		<b>90.03</b>	<b>85.98</b>	<b>117.27</b>	<b>124.74</b>	<b>101.51</b>
						<b>175.48</b>

**ANNEXURE XII: STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED**
*(₹ in Lakhs)*

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Provision for tax (Net)	-	-	11.92	16.41	6.64	11.08
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11.92</b>	<b>16.41</b>	<b>6.64</b>	<b>11.08</b>

**ANNEXURE XIII: STATEMENT OF FIXED ASSETS, AS RESTATED**

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
<b>A. Plant &amp; Machinery</b>						
Opening - Gross Block	85.86	71.24	61.54	50.84	28.68	21.18
Add: During the year	42.87	14.62	9.70	10.70	22.16	7.50
Less: Deduction During the year					-	-
<b>Closing Gross Block</b>	<b>128.73</b>	<b>85.86</b>	<b>71.24</b>	<b>61.54</b>	<b>50.84</b>	<b>28.68</b>
<b>Depreciation Fund</b>						
Opening	67.24	55.44	41.56	30.19	18.59	13.96
Addition During the year	7.38	11.80	13.88	19.98	11.60	4.63
Deduction during the year				8.61	-	-
<b>Closing Balance</b>	<b>74.62</b>	<b>67.24</b>	<b>55.44</b>	<b>41.56</b>	<b>30.19</b>	<b>18.59</b>
<b>Net Block - A</b>	<b>54.11</b>	<b>18.62</b>	<b>15.80</b>	<b>19.98</b>	<b>20.65</b>	<b>10.09</b>
<b>B. Building</b>						
Opening - Gross Block	61.47	61.47	15.18	15.18	-	-
Add: During the year	-	-	46.29		15.18	-
Less: Deduction During the year					-	-
Closing Gross Block	61.47	61.47	61.47	15.18	15.18	-
<b>Depreciation Fund</b>						
Opening	31.29	15.86	15.18	15.18	-	-
Addition During the year	7.69	15.43	0.68		15.18	-
Deduction during the year					-	-
Closing Balance	38.98	31.29	15.86	15.18	15.18	-
<b>Net Block - B</b>	<b>22.49</b>	<b>30.18</b>	<b>45.61</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Furniture &amp; Fixtures</b>						
Opening - Gross Block	41.89	41.62	37.05	36.02	23.59	15.22
Add: During the year	8.04	0.27	4.57	1.03	12.43	8.37
Less: Deduction During the year					-	-
Closing Gross Block	49.93	41.89	41.62	37.05	36.02	23.59
<b>Depreciation Fund</b>						
Opening	18.23	13.57	9.28	11.73	6.80	4.94
Addition During the year	2.42	4.66	4.29	4.11	4.93	1.86
Deduction during the year				6.56	-	-
Closing Balance	20.65	18.23	13.57	9.28	11.73	6.80
<b>Net Block - C</b>	<b>29.28</b>	<b>23.66</b>	<b>28.05</b>	<b>27.77</b>	<b>24.29</b>	<b>16.79</b>
<b>D. Office Equipment's</b>						
Opening - Gross Block	61.16	57.80	41.07	38.84	10.86	10.20

Add: During the year	11.45	3.36	16.73	2.23	32.69	0.66
Less: Deduction During the year					4.71	-
Closing Gross Block	72.61	61.16	57.80	41.07	38.84	10.86
<b>Depreciation Fund</b>						
Opening	35.11	23.24	14.32	6.31	3.66	2.51
Addition During the year	6.16	11.87	8.92	11.87	3.88	1.15
Deduction during the year				3.86	1.23	-
Closing Balance	41.27	35.11	23.24	14.32	6.31	3.66
<b>Net Block - D</b>	<b>31.34</b>	<b>26.05</b>	<b>34.56</b>	<b>26.75</b>	<b>32.53</b>	<b>7.20</b>
<b>E. Vehicles</b>						
Opening - Gross Block	0.48	0.48	0.48	-	-	-
Add: During the year				0.48	-	-
Less: Deduction During the year					-	-
Closing Gross Block	0.48	0.48	0.48	0.48	-	-
<b>Depreciation Fund</b>					-	
Opening	0.17	0.11	0.05	-	-	-
Addition During the year	0.03	0.06	0.06	0.05	-	-
Deduction during the year					-	-
Closing Balance	0.20	0.17	0.11	0.05	-	-
<b>Net Block - D</b>	<b>0.28</b>	<b>0.31</b>	<b>0.37</b>	<b>0.43</b>	-	-
<b>E. Intangible Assets</b>						
Opening - Gross Block	93.27	87.12	77.67	59.19	39.17	15.70
Add: During the year	-	6.15	9.45	18.48	20.02	23.47
Less: Deduction During the year					-	-
Closing Gross Block	93.27	93.27	87.12	77.67	59.19	39.17
<b>Depreciation Fund</b>						
Opening	61.16	45.86	30.90	27.31	15.14	8.10
Addition During the year	7.71	15.30	14.96	15.25	12.17	7.04
Deduction during the year				11.66	-	-
Closing Balance	68.87	61.16	45.86	30.90	27.31	15.14
<b>Net Block - E</b>	<b>24.40</b>	<b>32.11</b>	<b>41.26</b>	<b>46.77</b>	<b>31.88</b>	<b>24.03</b>
<b>Total Net Block - A + B +C +D +E</b>	<b>161.90</b>	<b>130.93</b>	<b>165.65</b>	<b>121.70</b>	<b>109.35</b>	<b>58.11</b>

**ANNEXURE XIV : STATEMENT OF NON-CURRENT INVESTMENTS, AS RESTATED**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Investment in gold coins	12.88	12.88	12.88	12.88	12.88	17.66
<b>Total (a)</b>	<b>12.88</b>	<b>12.88</b>	<b>12.88</b>	<b>12.88</b>	<b>12.88</b>	<b>17.66</b>

**ANNEXURE XV: INCOME TAX ASSETS, AS RESTATED**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Advance income tax - Unsecured, considered good (Net of provisions)	35.48	11.76	-	-	-	-
<b>Total (a)</b>	<b>35.48</b>	<b>11.76</b>				

**ANNEXURE XVI : OTHER NON CURRENT ASSETS, AS RESTATED**

(Rs. in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Advance income tax - Unsecured, considered good (Net of provisions)	35.48	11.76	-	-	-	-
<b>Total</b>	<b>35.48</b>	<b>11.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE XVII: STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Outstanding for a period less than six months from the date they are due for payment (Unsecured, Considered Good)	203.11	130.15	116.80	91.51	77.04	70.41
Outstanding for a period exceeding six months from the date they are due for payment (Unsecured, Considered Good)	-	-	-	-	-	-
<b>Total</b>	<b>203.11</b>	<b>130.15</b>	<b>116.80</b>	<b>91.51</b>	<b>77.04</b>	<b>70.41</b>

**ANNEXURE XVIII: STATEMENT OF CASH AND CASH EQUIVALENTS, AS RESTATED**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
Cash in hand	1.22	0.35	0.38	0.42	0.41	10.97
<b>Cash at Bank:</b>						
On Current Account	12.28	106.46	100.23	1.58	5.05	48.72
On Current Account in a Foreign Bank	64.83	116.91	114.10	110.72	79.69	14.75
On Deposit Account*	193.51	187.51	74.56	62.52	-	-
<b>Total</b>	<b>271.84</b>	<b>411.23</b>	<b>289.27</b>	<b>175.24</b>	<b>85.15</b>	<b>74.44</b>

\*Includes margin money deposit of Rs.60 lakhs towards cash credit facility sanctioned by the bank. Balance deposits are lien marked towards foreign exchange forward cover contracts taken with the bank

**ANNEXURE XIX: STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED**

(₹. in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
(a) Prepaid expenses	-	14.64	14.18			-
(b) Advance to suppliers (Unsecured, Considered Good)	-	-	-	-	4.11	9.53
(c) Others	91.61	96.87	71.21	45.36	30.85	26.42
<b>Total ( a + b+c+d+e)</b>	<b>91.61</b>	<b>111.51</b>	<b>85.39</b>	<b>45.36</b>	<b>34.96</b>	<b>35.95</b>

**ANNEXURE XX: STATEMENT OF OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
(a) Rental Deposits	35.49	22.50	22.50	10.00	10.00	10.00
(b) Unbilled Revenues	87.34	13.09				
<b>Total ( a + b)</b>	<b>122.83</b>	<b>35.59</b>	<b>22.50</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

**ANNEXURE XXI: STATEMENT OF OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 30 September 2017	As at 31st March				
		2017	2016	2015	2014	2013
(a) Advance towards Issue Expenditure	10.00	-	-	-	-	-
(b) Work-in-Progress - Animation	44.50	-	-	-	-	-
<b>Total ( a + b+c+d+e)</b>	<b>54.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE XXII: STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the 6 months period ending 30 September 2017	For the year ending 31 March				
		2017	2016	2015	2014	2013
Export of services	673.59	1338.99	1100.05	839.03	703.11	442.98
<b>Total</b>	<b>673.59</b>	<b>1338.99</b>	<b>1100.05</b>	<b>839.03</b>	<b>703.11</b>	<b>442.98</b>

**ANNEXURE XXIII: STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in Lakhs)

Particulars	For the 6 months period ending 30 September 2017	For the year ending 31 March				
		2017	2016	2015	2014	2013
<b>Interest Income</b>						
(i) On account of Fixed Deposit with Banks	-	8.83	6.58	1.79	0.15	0.53
<b>Other Income</b>						
(i) Dividend income from Chit investments	2.80	7.69	6.50	5.68	6.56	6.03
(ii) Profit on sale of Investment	-	-	-	-	0.81	5.22
(iii) Expenses provided written back	-	47.9	13.72	3.52	15.84	
(iii) Foreign Exchange Fluctuation Gain /(Loss)	2.85	-7.64	7.04	-3.22	0.10	2.61
(iv) Other Miscellaneous Income	-	0.01	0.05	0.00	0.00	
<b>Total</b>	<b>5.65</b>	<b>56.79</b>	<b>33.89</b>	<b>7.77</b>	<b>23.46</b>	<b>14.39</b>

**ANNEXURE XXIV: STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

<b>(A) Names of Related Parties :</b>	
<b>1. Key Management Personnel:</b>	
R Prakash	Director
A Omer Sheriff	Director
Vimla Thomas	Director
<b>2. Relative of Key Management Personnel :</b>	
NIL	
<b>3. Associates/ Enterprises over which Directors and/or their Relatives having Significant Influence :</b>	
Inscribe BPO Private Limited*	

\*Two Directors of the Company are the promoter directors of this Company

**(B) Details of Related Party Transactions:**
**(₹ in Lakhs)**

Sr. No.	Nature of Transaction/ Name of Related Party	For the 6 months period ending 30 September 2017	For the year ending 31 March				
			2017	2016	2015	2014	2013
<b>A</b>	<b>Transactions with Directors</b>						
1	<b>Directors Remuneration</b>	66.74	105.00	93.00	88.80	54.00	54.00
2	<b>Loans and Advances</b>						
	Opening Balance	-	-	-	20.00	-	-
	Loan Received from Director	-	-	-	-	20.00	-
	Loan Repaid to Director	-	-	-	20.00	-	-
	Outstanding Balance as on year end date	-	-	-	-	20.00	-
<b>B</b>	<b>Transactions with Group Company - Inscribe BPO Private Limited</b>						
1	<b>Job work charges</b>		-	-	2.44		-
2	<b>Loans and advances</b>						
	Opening Balance	-	-	5.58	4.11	9.53	9.46
	Received during the year	-	-	-5.84	-3.48	-32.07	-26.44
	Reimbursements payable	-	-0.74	-0.52	-0.04	0	-0.5
	Payments during the year	-	0.74	0.52	4.95	26.65	27.01
	Reimbursements receivable	-	-	0.26	0.04	0	0
	Outstanding Balance as on year end date	-	-	-	5.58	4.11	9.53

**ANNEXURE XXV: STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹. Lakhs)

Sr. No.	Particulars	As at 30.09.2017	As on March 31st				
			2017	2016	2015	2014	2013
A.	Net Worth as per Balance Sheet (Rs. In Lakhs)	861.89	742.09	498.69	299.91	184.82	125.85
B.	Profit/(Loss) after Tax as per Balance Sheet	119.80	243.39	198.78	84.41	58.96	41.42
C.	Weighted Average Number of Equity Shares outstanding during the Year*	6,820,000	6,820,000	6,820,000	6,820,000	6,820,000	6,820,000
D.	Earning Per Share (₹.) (B/C) #	3.51	3.57	2.91	1.24	0.86	0.61
E.	Number of Equity Shares outstanding at the end of Year	6,820,000	440,000	440,000	440,000	440,000	440,000
F.	Net Assets Value (₹.) (A/E)	12.64	168.66	113.34	68.16	42.00	28.60
G.	Return on Net Worth (%) (B/A)	13.90%	32.80%	39.86%	28.15%	31.90%	32.91%

# Earning per share for the 6 months period ending 30.09.17 has been annualised to make it comparable with other years

**Calculation of Weighted Average Number of Shares during the Year**

Sr. No.	Particulars	As at 30.09.2017	As on March 31st				
			2017	2016	2015	2014	2013
A	Total Number of Equity Share outstanding at the beginning of the year	440,000	440,000	440,000	440,000	440,000	440,000
B	Equity Shares issued during the year (other than Bonus shares)	-	-	-	-	-	-
C	Bonus Shares issued	6,380,000	-	-	-	-	-
D	Equity Shares outstanding at the end of the year (A+B+C)	6,820,000	440,000	440,000	440,000	440,000	440,000
E	Number of Equity Shares outstanding during the year *	6,820,000	6,820,000	6,820,000	6,820,000	6,820,000	6,820,000

**Ratios have been calculated as detailed below**

(a) Basic and Diluted Earning per Share (Rs.)

Restated Profit after tax available to Shareholders  
 Weighted average number of equity shares at the end of the year/period

(b) Return on Networth (%)

Restated Profit after tax available to Shareholders  
 Restated Networth of Equity Shareholders

(c) Net Assets Value per Equity Share (Rs.)

Restated Networth of Equity Shareholders  
 Number of equity shares outstanding at the end of the year/period

\*Earning Per Share is calculated in accordance with Accounting Standards 20 "Earning Per Share" issued by Institute of Chartered Accountants of India. In terms of Para 24 of AS - 20, the number of Equity Shares outstanding before the issue of Bonus Shares is adjusted for the change in number of Equity Shares issued as bonus shares as if the shares were issued at the beginning of earliest reported period.

**ANNEXURE XXVI: STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ lakhs)

Sr. No.	Particulars	As at 30.09.2017	As on March 31st				
			2017	2016	2015	2014	2013
1	<b>Claims against the company not acknowledged as debt</b>						
	On account of Income Tax						
	Assessment Year - 2014-15	2.24	2.24	2.24	-	-	-
	Assessment Year - 2015-16	6.04	6.04	-	-	-	-

\*Includes TDS demands pertaining to FY 2012-13 and earlier years and the Company is in the process of collecting year-wise breakup of dues from the TDS authorities.

Significant part of these dues are demands raised u/s.234E of the Income Tax Act and the company is contesting these demands.

**ANNEXURE XXVII: STATEMENT OF CAPITALISATION, AS RESTATED**

(₹ in Lakhs)

Particulars	Pre-Issue as at 30.09.2017	Post Issue*
<b>Borrowings</b>		
Long Term Borrowings	-	-
Short Term Borrowings	-	-
<b>Total Debts</b>	-	-
<b>Shareholders' Funds</b>		
Equity Share Capital	682.00	[•]
Free Reserves and Surplus	179.89	[•]
<b>Total Shareholders' Funds</b>	<b>861.89</b>	[•]
Long Term Borrowings/ Shareholders Funds Ratio	NA	NA
Total Debts/ Equity Ratio	NA	NA
* The Post Issue Capitalisation Statement assumes that Debt Level of the Company to be same as that of September 30,2017		

**ANNEXURE XXVIII: STATEMENT OF TAX SHELTER, AS RESTATED (₹ in Lakhs)**

Particulars	For the 6 months period ending 30 September 2017	As on March 31st				
		2017	2016	2015	2014	2013
Normal Corporate Tax Rates	27.55%	33.06%	33.06%	32.45%	30.90%	30.90%
Minimum Alternate Tax Rates	20.39%	20.39%	20.39%	20.01%	19.06%	19.06%
<b>A. Profit before tax as per Restated Profit &amp; Loss Statement</b>	<b>167.66</b>	<b>361.30</b>	<b>312.02</b>	<b>125.62</b>	<b>86.86</b>	<b>60.26</b>
<b>Adjustments:</b>						
<b>B. Permanent Difference</b>						

Disallowance of expenses under Income Tax Act	8.01	-	2.18		3.42	0.73
<b>Total ( B )</b>	<b>8.01</b>	<b>-</b>	<b>2.18</b>	<b>-</b>	<b>3.42</b>	<b>0.73</b>
<b>C. Temporary Differences (Timing differences)</b>						
Book Depreciation and Depreciation under Income Tax Act	(19.64)	17.37	(0.17)	10.82	(5.24)	(11.30)
Disallowed u/s 43B (Gratuity Provision)	3.25	1.80	1.04	3.23	3.03	3.25
Gratuity -Allowed on payment basis	(10.92)	(2.89)	(1.89)	(1.27)	-	-
Disallowance of expenses	0.80	1.59	1.32	1.14	-	-
	(1.59)	(1.32)	(1.14)	-	-	-
<b>Total ( C )</b>	<b>(28.10)</b>	<b>16.55</b>	<b>(0.84)</b>	<b>13.92</b>	<b>(2.21)</b>	<b>(8.05)</b>
<b>D. Total Income ( A+B+C)</b>	<b>147.57</b>	<b>377.85</b>	<b>313.36</b>	<b>139.54</b>	<b>88.07</b>	<b>52.94</b>
Brought Forward Loss set off	-	-	-	-	-	-
<b>E. Net Taxable Income ( Rounded Off)</b>	<b>147.57</b>	<b>377.85</b>	<b>313.36</b>	<b>139.54</b>	<b>88.07</b>	<b>52.94</b>
<b>F. Tax Payable as per Normal Tax</b>	<b>40.66</b>	<b>124.92</b>	<b>103.60</b>	<b>45.28</b>	<b>27.21</b>	<b>16.36</b>
<b>G. Tax as per Minimum Alternate Tax (MAT)</b>	<b>34.19</b>	<b>73.67</b>	<b>63.62</b>	<b>25.14</b>	<b>16.56</b>	<b>11.49</b>
<b>Total Tax Payable or MAT whichever is higher</b>	<b>40.66</b>	<b>124.92</b>	<b>103.60</b>	<b>45.28</b>	<b>27.21</b>	<b>16.36</b>
<b>Income tax as Returned/Computed</b>	<b>NA</b>	125.88	104.23	45.68	27.22	16.3
<b>Tax provision, restated</b>	<b>40.66</b>	<b>124.92</b>	<b>103.60</b>	<b>45.28</b>	<b>27.21</b>	<b>16.36</b>
Tax Paid as per Normal provision or MAT	Normal	Normal	Normal	Normal	Normal	Normal

#### ANNEXURE XXIX: RECONCILIATION OF RESTATED PROFITS

(₹ in Lakhs)

Particulars	For the 6 months period ending 30 September 2017	For the year ending 31 March				
		2017	2016	2015	2014	2013
Net profit/(loss) after tax as per audited statement of profit and loss	123.78	242.47	196.05	83.57	60.77	43.52
<b>Adjustments for:</b>						
Gratuity Provisions	(3.25)	(1.80)	(1.04)	(3.23)	(3.03)	(3.25)
(Short)/Excess Provision for tax	2.07	1.08	4.00	3.34	0.29	0.14
Deferred Tax (Liability) / Asset	(2.79)	1.64	(0.23)	0.73	0.94	1.00
<b>Net profit/ (loss) after tax, restated</b>	<b>119.80</b>	<b>243.39</b>	<b>198.78</b>	<b>84.41</b>	<b>58.96</b>	<b>41.42</b>

***Explanatory notes to the above restatements made in the audited financial statements of the company for the respective years:***

Adjustments having impact on profits:

**1) Provision for Gratuity**

No provision for gratuity was made in FY 2012-13 and FY 2013-14. Adhoc gratuity payments made to LIC during FY 2014-15 and FY 2015-16 were not charged to profit and loss account and these are now appropriately considered to arrive at the restated profits.

**2) Excess Provision for tax**

Excess provision for tax for the FYs 2012-13 to the FY 2017-18 (6 months period ending 30.09.2017) have been written back in the restated accounts.

**3) Deferred tax**

Provision for Gratuity adjustments made as stated above have resulted in restatement of Deferred Tax Asset/Liability accounts.

Adjustments having no impact on Profits

All the appropriate changes and regrouping have been done in the restated financial statements as per provisions of Companies Act, 2013 in the presentation and preparation of Financial Statements.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the half yearly ended September 30, 2017 and the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 1956/ Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in 'Financial Statements' beginning on page 123 of this Draft Red Herring Prospectus.

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

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in 'Risk Factors' and 'Forward-Looking Statements' beginning on pages no's 13 and 12 respectively of this Draft Red Herring Prospectus.

### Business Overview

Our Company was originally incorporated as a private limited company under the name as "Inscribe Graphics Private Limited" vide certificate of Incorporation dated January 27, 2009, issued by the Registrar of Companies, Chennai, Tamil Nadu under the provisions of Companies Act 1956. Subsequently our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on November 01, 2018 and the name of our company was changed to "Inscribe Graphics Limited" Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Chennai on November 16, 2017. The Corporate Identification Number of our Company is U92100TN2009PLC070565.

Our Company is currently involved in graphics, animation, multi-media, Web-designing and incidental activities. Our Company, so far, has been catering to the overseas markets only. It started with offering services to clients in USA and later on expanded into countries like UK, Norway, Hong Kong, Australia, Canada, Singapore and Bangladesh. Artwork and Digitizing are its core areas of activities from inception. Our Company focuses on Promotional Products, Fashion Apparel, Retail, Professional Sports, Collegiate Licensing, Corporate, Uniforms, Licensed Team Sports, Sporting Goods, Graduation Products, Cheerleading, Printing, Manufacturing and Embroidery markets. Our Company deals in two segments such as graphic designing and animation.

### Summary of the Results of Operation:

The following table sets forth select financial data from restated Profit and Loss accounts for the half year ended September 30, 2017 and the financial year ended March 31, 2017, 2016, 2015, 2014, and 2013 and the components of which are also expressed as a percentage of total income for such periods.

(₹ in Lakhs)

Particulars	For The Period Ended Sept' 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b><u>Revenue:</u></b>						
Revenue From Operations (Net of Taxes)	747.84	1338.98	1100.05	839.03	703.11	442.99
<i>As a % of Total Revenue</i>	<i>99.25%</i>	<i>95.93%</i>	<i>97.01%</i>	<i>99.08%</i>	<i>96.77%</i>	<i>96.85%</i>
Other Income	5.65	56.80	33.89	7.77	23.46	14.39
<i>As a % of Total Revenue</i>	<i>0.75%</i>	<i>4.07%</i>	<i>2.99%</i>	<i>0.92%</i>	<i>3.23%</i>	<i>3.15%</i>
<b>Total Revenue</b>	<b>753.49</b>	<b>1395.78</b>	<b>1133.94</b>	<b>846.80</b>	<b>726.57</b>	<b>457.38</b>
<b><u>Expenses:</u></b>						
Cost of Material Consumed	-	-	-	-	-	-

Particulars	For The Period Ended Sept' 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Purchase of Stock-in -Trade	-	-	-	-	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-	-	-	-	-	-
Employee benefit expenses	410.53	739.85	590.49	501.90	340.28	272.04
Financial Cost	-	0.60	1.39	-	-	-
Depreciation and amortization expenses	31.39	59.11	42.80	51.25	47.76	14.68
Others Expenses	143.91	234.92	187.24	168.03	251.67	110.40
<b>Total Expenses</b>	<b>585.83</b>	<b>1034.48</b>	<b>821.92</b>	<b>721.18</b>	<b>639.71</b>	<b>397.12</b>
<i>As a % of Total Revenue</i>	<i>77.75%</i>	<i>74.11%</i>	<i>72.48%</i>	<i>85.17%</i>	<i>88.05%</i>	<i>86.82%</i>
<b>Profit before exceptional, extraordinary items and tax</b>	167.66	361.3	312.02	125.62	86.86	60.26
<i>As a % of Total Revenue</i>	<i>22.25%</i>	<i>25.89%</i>	<i>27.52%</i>	<i>14.83%</i>	<i>11.95%</i>	<i>13.18%</i>
Less: Exceptional Items	-	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	167.66	361.3	312.02	125.62	86.86	60.26
<i>As a % of Total Revenue</i>	<i>22.25%</i>	<i>25.89%</i>	<i>27.52%</i>	<i>14.83%</i>	<i>11.95%</i>	<i>13.18%</i>
Prior Period Items	-	-	-	-	-	-
Extra ordinary items	-	-	-	-	-	-
<b>Profit before tax</b>	<b>167.66</b>	<b>361.3</b>	<b>312.02</b>	<b>125.62</b>	<b>86.86</b>	<b>60.26</b>
<i>As a % of Total Revenue</i>	<i>22.25%</i>	<i>25.89%</i>	<i>27.52%</i>	<i>14.83%</i>	<i>11.95%</i>	<i>13.18%</i>
<i>Tax expense :</i>						
Current tax	42.73	126.00	107.60	48.62	27.50	16.50
Short/(Excess) provision of tax	(2.07)	(1.08)	(4.00)	(3.34)	(0.29)	(0.14)
Income tax relating to earlier year	-	-	-	-	-	-
Deferred Tax	7.20	(7.01)	9.64	(4.07)	0.68	2.49
Mat Assets	-	-	-	-	-	-
Total Tax Expenses	47.86	117.91	113.24	41.21	27.90	18.84
<i>As a % of Total Revenue</i>	<i>6.35%</i>	<i>8.45%</i>	<i>9.99%</i>	<i>4.87%</i>	<i>3.84%</i>	<i>4.12%</i>
<b>Profit/(Loss) for the period After Tax- PAT</b>	<b>119.80</b>	<b>243.39</b>	<b>198.78</b>	<b>84.41</b>	<b>58.96</b>	<b>41.42</b>
<i>As a % of Total Revenue</i>	<i>15.90%</i>	<i>17.44%</i>	<i>17.53%</i>	<i>9.97%</i>	<i>8.12%</i>	<i>9.06%</i>

### **Overview on Result of Operations:**

#### **Comparison of Financial Year Ended March 31, 2017 with Financial Year Ended March 31, 2016**

##### Revenue from Operations:

Revenues of the Company have increased from ₹1100.05 Lakhs in FY 2015-2016 to 1338.98 Lakhs in FY 2016-2017. The increase in revenue was due to increase in volumes of operations of the Company with new customers coming into the fold. The revenue of the company has increased by 21.72% in FY 2016-2017.

##### Other Income:

The Other Income of the Company has increased from ₹33.89 Lakhs in FY 2015-2016 to ₹56.80 Lakhs in FY 2016-2017. Other income has increased mainly due to write back of some liabilities which are no longer payable. The increase in Other income was 67.06% in FY 2016-2017 as compared with the previous year.

#### **EXPENDITURE:**

##### Employee Benefits Expenses:

The Employee Benefits Expenses has increased from ₹ 590.49 Lakhs in FY 2015-16 to ₹739.89 Lakhs in FY 2016-2017. Increase in remuneration to existing employees and Key Managerial Personnel and recruitment of

new employees have resulted in this increase. In terms of %, the Employee Benefits Expenses has increased by 25.30% in FY 2016-2017 over FY 2015-16

**Finance Cost:**

The Finance Cost has decreased from 1.39 Lakhs in FY 2015-2016 to ₹0.60 Lakhs in FY 2016-2017. The company has overdraft from one of its bankers against its own deposits and OD is utilized only when required. Due to improved working capital conditions the company had availed OD very minimally during the FY 2016-17 and hence reduction in finance cost.

**Other Expenses:**

Other Expenses has increased from ₹187.24 Lakhs in FY 2015-2016 to ₹234.92 Lakhs in FY 2016-2017. The increase is mainly due to increased spends on software subscription charges, repairs and maintenance and travelling expenditure. The increase of other expense over the previous year is 25.46%

**Profit before Tax:**

The profit before tax has increased from ₹312.02 Lakhs in FY 2015-2016 to ₹361.30 Lakhs in FY 2016-2017 in line with the increase in volume of operations. The profit before tax has increased by 15.79% in FY 2016-2017 as compared with FY 2015-2016.

**Net Profit after Tax:**

The PAT has increased from ₹198.78 Lakhs in FY 2015-2016 as compared with ₹243.39 Lakhs in FY 2016-2017.

**Comparison of Financial Year Ended March 31, 2016 with Financial Year Ended March 31, 2015**

**INCOME**

**Revenue from Operations:**

Revenues of the Company has increased from ₹839.03 Lakhs in FY 2014-2015 to ₹1100.05 Lakhs in FY 2015-2016 registering an increase of Rs.31.11% over the previous year. Increased business from existing customers and business from new customers are the reasons for the increase.

**Other Income:**

The Other Income of the Company has increased from ₹7.77 Lakhs in FY 2014-2015 to ₹33.89 Lakhs in FY 2015-2016. Other income has increased by 336.17% over the previous year mainly due to write back of some liabilities which are no longer payable.

**EXPENDITURE**

**Employee Benefits Expenses:**

The Employee Benefits Expenses is increased from ₹ 501.90 Lakhs in FY 2014-15 to ₹590.49 Lakhs in FY 2015-2016. Employee Benefit Expenses has increased due to recruitment of new employees and increase in remuneration to the existing employees and KMPs.

**Finance Cost:**

The Finance Cost has increased from ₹NIL in FY 2014-2015 to ₹1.39 Lakhs in FY 2015-2016 representing interest on paid on Overdraft amounts availed from one of the Company's bankers against Company's own deposits.

**Other Expenses:**

Other Expenses has increased from ₹168.03 Lakhs in FY 2014-2015 to ₹187.24 Lakhs in FY 2015-2016 registering an increase of 11.43%. Increased software subscription charges, electricity charges and rent were the main contributors to this increase.

Profit before Tax:

The profit before tax has increased from ₹125.62 Lakhs in FY 2014-2015 to ₹ 312.02 Lakhs in FY 2015-2016, registering a significant increase of 148.38%. Company's main cost component is employee costs. As the increase in employee costs is less than the increase in revenues, on a proportional basis, profit before tax has registered a sharp increase.

Net Profit after Tax:

The Profit After Tax (PAT) of the company has increased from ₹ 84.41 Lakhs in FY 2014-2015 to ₹ 198.78 Lakhs in FY 2015-2016.

### **Comparison of Financial Year Ended March 31, 2015 with Financial Year Ended March 31, 2014**

Revenue from Operations:

Revenues of the Company has increased from ₹ 703.11Lakhs in FY 2013-2014 to ₹ 839.03 Lakhs in FY 2014-2015, an increase of 19.33%. Increased revenues are mainly due to increased orders from the existing customers.

Other Income:

The Other Income of the Company has decreased from ₹ 23.46 Lakhs in FY 2013-2014 to ₹ 7.77 Lakhs in FY 2014-2015. There was a significant write back of liabilities in the previous year and which is not there in the current year and further there was a foreign exchange loss of Rs.3.22 lakhs incurred in the current year and these had contributed to reduction in other income.

### **EXPENDITURE:**

Employee Benefits Expenses:

The Employee Benefits Expenses has increased from ₹ 340.28 Lakhs in FY 2013-14 to ₹501.90 Lakhs in FY 2014-2015, an increase of 47.50%. Employee Benefit Expenses has increased due to recruitment of new employees and increase in salaries to the existing employees and further due to increase in remuneration of the KMP

Finance Cost:

The company has not incurred finance costs neither in the current year nor in the previous year.

Other Expenses:

Other Expenses has decreased from ₹ 251.67 Lakhs in FY 2013-2014 to ₹168.03 Lakhs in FY 2014-2015 representing a reduction of 33.23%. The reduction is mainly due to higher repairs and maintenance expenses incurred in the previous year.

Profit before Tax:

The profit before tax has increased from ₹ 86.86 Lakhs in FY 2013-2014 to ₹125.62 Lakhs in FY 2014-2015, representing an increase of 44.62% over the previous year. As a % of sales it has marginally increased from 11.95% to 14.83%.

Net Profit after Tax:

The Net Profit after Tax has increased from ₹ 58.96 Lakhs in FY 2013-2014 to ₹ 84.41 Lakhs in FY 2014-2015 registering an increase of 43.16%. But for surcharge to Income tax, the increase could have been higher.

## **Details of material developments after the date of last balance sheet i.e. September 30, 2017**

No circumstances have arisen since the date of last financial statement until the date of filing this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled "Risk Factors" beginning on page 13 of this Draft Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled "Risk Factors" beginning on page 13 of this Draft Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **4. Future Relationship between Costs and Income**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies, subsidies available and prices of fuel.

#### **5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

#### **6. Total turnover of each major industry segment in which the issuer company operates**

The Company is operating in print media. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 70 of this Draft Red Herring Prospectus.

#### **7. Status of any publicly announced new services/assignments or business segments**

Our Company has not announced any new services/assignments or business segments, other than disclosed in the Draft Red Herring Prospectus.

#### **8. The extent to which the business is seasonal**

Our Company's business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

The list of our Company's customer and supplier *vis a vis* the total revenue from operations and raw materials/ finished goods cost respectively as March 31, 2017 is as follows:

Particulars	Customers	Suppliers
More than 5 (%)	5 <sup>th</sup> Ocean, USA Gear for Sports, USA Avery Dennison,(USA, Norway, Hong Kong and Bangladesh) New Era Cap, USA Ouray Sportwear, USA	NIL

**10. Competitive Conditions**

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 88 of this Draft Red Herring Prospectus

## **FINANCIAL INDEBTEDNESS**

### **1. Rupee Overdraft of Rs.54 lakhs from ICICI Bank**

The company has been sanctioned Rs.54 lakhs of Rupee Overdraft against its term deposits from ICICI Bank, Adyar Branch, Chennai -600020 on 17 November 2016.

Outstanding loan amount as at September 30, 2017 was NIL.

Outstanding loan amount as at January 31, 2018 was Rs.15.42 lakhs

Term deposit against which Rupee Overdraft is given – Rs.60 lakhs

Rate of Interest – 7.10%

### **2. Inter Corporate Loan from Inscribe BPO Private Limited**

Company has obtained inter corporate loan of Rs.25 lakhs from its Group Company Inscribe BPO Private Limited on 30 December 2017.

Outstanding loan amount as at January 31, 2018 was Rs.25.00 lakhs. Rate of Interest – 16%

Repayment Term: Principal amount to be repaid on or before 31 March 2019 and interest to be serviced on a monthly basis.

**SECTION VI – LEGAL AND OTHER INFORMATION, OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated below, there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters, our Subsidiaries and Group Companies that would have a material adverse effect on our business. Further, except as stated below there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities. No proceedings have been initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013 other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters, our Directors and Group Companies*

*Our Board of Directors, in its meeting held on January 15, 2018 determined that outstanding legal proceedings involving our Company, Directors, Promoters, Subsidiaries and Group Companies: (a) the aggregate amount involved in such individual litigation exceeds Rs. 10 Lakhs ; (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed Rs. 10 Lakhs, if similar litigations put together collectively exceed Rs. 10 Lakh; (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.*

*Further, dues owed by our Company to small scale undertakings and other creditors, which exceeds Rs. 10 Lakh of our Company's trade payables as per last audited financial statements as at September 30, 2017 ("Material Creditors") have been considered as material dues for the purposes of disclosure in this Draft Red Herring Prospectus .*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*Further, except as stated below, in the last five years preceding the date of this Draft Red Herring Prospectus there have been (a) no instances of material frauds committed against our Company (b) no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the case of our Company and no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for our Company (c) no litigation or legal action pending or taken by any ministry or department of the government or any statutory body against our Promoters*

*Further, except as described below, there are no proceedings initiated or penalties imposed by any authorities against our Company, and Directors and no adverse findings in respect of our Company, our Promoters, our Subsidiaries and our Group Companies and the persons/entities connected therewith, as regards compliance with securities laws. Further, except as described below, there are no instances where our Company, or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities.*

*Further, except as disclosed below there are no (i) litigation against our Directors or our Promoters involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on our Company, our Directors, our Promoters, our Subsidiaries and our Group Companies; and (iii) outstanding litigation or defaults relating to matters likely to affect the operations and finances of our Company including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013. Unless stated to the contrary, the information provided below is as on the date of this Draft Red Herring Prospectus.*

## CONTINGENT LIABILITIES

Sr. No.	Particulars	Amount (in Rs.)
1.	TDS Liability	2,75,088.00
2.	Direct Tax Liability	8,27,430.00
	<b>Total</b>	<b>11,02,518</b>

### A. LITIGATION INVOLVING OUR COMPANY

#### (I) Litigation against our Company:

- (a) *Litigation Involving Criminal Laws: NIL*
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
- (c) *Litigation Involving Tax Liabilities*

#### (i) *Direct Tax Liabilities :*

Assessing year	Section under which notice is issued	Demand Identification Number	Date on which the demand is raised	Outstanding Amount (Rs.)	Status
2014-2015	245	2015201410010791634C	March 16, 2016	2,23,760	Our Company has disagreed with the demand as the Federal tax paid by the
2015-2016	245	2016201510007060515C	March 23, 2017	6,03,670	Company's USA branch has not been considered by the department. Rectification letter have been filed with the Assessing Officer concerned

#### (ii) *Indirect Tax Liabilities: NIL*

- (d) *Other Material Pending Litigations: NIL*
- (II) Litigation by our Company:
  - (a) *Litigation Involving Criminal Laws: NIL*
  - (b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
  - (c) *Litigation Involving Tax Liabilities*

(i) *Direct Tax Liabilities* - NIL

(ii) *Indirect Tax Liabilities* NIL

(d) *Other Material Pending Litigations* :NIL

**B. LITIGATION INVOLVING OUR DIRECTORS**

**(I) Litigation against our Directors:**

(a) *Litigation Involving Criminal Laws:* NIL

(b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL

(c) *Litigation Involving Tax Liabilities*

(i) *Direct Tax Liabilities*

As per the website of the Income Tax Department, the outstanding demands in respect of our Directors for various assessment years is as set out below.

Assessment Year	Section	Demand Identification Number	Date of demand	Outstanding Demand (Rs.)	Status
<i>Name of the Director – Mr. Omer Sheriff Aneez</i>					
2013-2014	245	2015201310009975780T	March 2, 2016	3,17,900	The Director has disagreed with the demand. A response has been filed with the Authorities stating that TDS for Rs. 2,13,779 has not been considered
<i>Name of the Director – Mr. Radhakrishnan Prakash</i>					
2007-2008	143(1)	2010200751086902264T	June 10, 2008	1,014	The Director has disputed the demand.
2008-2009	220(2)	2015200837044668351T	October 16, 2015	1,36,887	The Director had disputed the demand and the Tribunal had passed an order for a refund of Rs. 4,44,572. The Director had requested the release of the
2008-2009	220(2)	2015200837046015592T	October 18, 2015	900	

Assessment Year	Section	Demand Identification Number	Date of demand	Outstanding Demand (Rs.)	Status
					said amount in April 2013, however, the same has yet not been released.
2009-2010	1431a	2011200910073991860T	March 19, 2012	83,480	The Director has disputed the demand
2012-2013	-	2014201237058920423T	January 17, 2015	17,660	The Director has disputed the demand
2013-2014	1431a	2014201337024197412T	August 22, 2014	4,02,490	The Director has disagreed with the demand. A response has been filed with the Authorities stating that the demand was due to non-consideration of TDS of the employer. However, currently the Form 26 AS reflects the TDS of Rs.333611. The Director has requested this TDS to be considered and the demand to be reversed by the Authorities.
<b>Name of the Director – Ms.Vimla Thomas</b>					
2013-2014	1431a	2014201337024645083T	August 27, 2014	4,11,970	The Director has disagreed with the demand. A response has been filed with the

Assessment Year	Section	Demand Identification Number	Date of demand	Outstanding Demand (Rs.)	Status
					Authorities stating that TDS deducted by the Company is reflected in Form 26 AS. Therefore, the Authorities are requested to consider the same and rectify the demand raised.
<b>Name of the Director – Ms.Hemalatha Rajan</b>					
2008-2009	143(3)	2011200851096713673T	December 31, 2010	6,35,360	The Director has contested the demands.
2009-2010	143(3)	2011200910066683436T	December 27, 2011	87,63,566	
2010-2011	143(3)	2012201010022110460T	March 1, 2013	1,29,940	
2011-2012	143(3)	2013201110020909826T	March 29, 2014	22,14,520	
2012-2013	154	2016201237078690525T	March 29, 2017	88,590	

(ii) *Indirect Tax Liabilities:* NIL

(d) *Other Material Pending Litigations:* NIL

(II) **Litigation by our Directors:**

(a) *Litigation Involving Criminal Laws:* NIL

(b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL

(c) *Litigation Involving Tax Liabilities*

(i) *Direct Tax Liabilities:* NIL

(ii) *Indirect Tax Liabilities:* NIL

(d) *Other Material Pending Litigations:* NIL

C. **LITIGATION INVOLVING OUR PROMOTERS:**

(I) **Litigation against our Promoters:**

(a) *Litigation Involving Criminal Laws:* NIL

(b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL

(c) **Litigation Involving Tax Liabilities:**

(i) **Direct Tax Liabilities:**

*With respect to litigation involving our Promoters Mr. Omer Sheriff Aneez, Mr. Radhakrishnan Prakash and Ms. Vimla Thomas please refer to the Heading "LITIGATION INVOLVING DIRECTORS - Litigation Against Our Directors - Litigation Involving Tax Liabilities".*

(ii) **Indirect Tax Liabilities: NIL**

(d) **Other Material Pending Litigations : NIL**

(II) **Litigation by our Promoters: NIL**

(a) **Litigation Involving Criminal Laws: NIL**

(b) **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

(c) **Litigation Involving Tax Liabilities**

(i) **Direct Tax Liabilities - NIL**

(ii) **Indirect Tax Liabilities - NIL**

(d) **Other Material Pending Litigations : NIL**

D. **LITIGATION INVOLVING GROUP COMPANIES**

(I) **Litigation against our Subsidiary and Group Companies:**

(a) **Litigation Involving Criminal Laws: NIL**

(b) **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

(c) **Litigation Involving Tax Liabilities**

(i) **Direct Tax Liabilities –**

Assessment Year	Section	Demand Identification Number	Date of demand	Outstanding Demand (₹)	Status
<b>Name of the Entity-Inscribe BPO Private Limited</b>					
2009-10	143(1)(a)	2010200937019663691C	March 10, 2011	12,752	The company has disagreed with the demand.
2009-10	143(1)(a)	2010200937019667401F	March 10, 2011	16,090	The company has disagreed with the demand.

(ii) **Indirect Tax Liabilities - NIL**

(d) **Other Material Pending Litigations: NIL**

(II) **Litigation by our Subsidiary and Group Companies:**

- (a) *Litigation Involving Criminal Laws:* NIL
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL
- (c) *Litigation Involving Tax Liabilities*
  - (i) *Direct Tax Liabilities -* NIL
  - (ii) *Indirect Tax Liabilities -* NIL
- (d) *Other Material Pending Litigations :* NIL

E. **OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

As on September 30, 2017 our Company does not owe a sum exceeding Rs. 10 Lakh, as per the last audited financial statements of our Company, to any undertaking except the following:

Sr. No.	Particulars	Amount (in Rs. )
.	NIL	

The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company i.e. [www.inscribegraphics.com](http://www.inscribegraphics.com). It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.inscribegraphics.com](http://www.inscribegraphics.com), would be doing so at their own risk.

F. **MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE**

As on September 30, 2017, the Company has commenced services for 2D animation apart from its existing services of graphic designing. For further information, please refer to our chapter titled "Our Business" beginning on page 88 of this Draft Red Herring Prospectus.

## **GOVERNMENT AND OTHER APPROVALS**

*As on the date of this Draft Red Herring Prospectus, our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities.*

*It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.*

### **A. Approvals for Our Company**

#### **I. Incorporation details**

1. Certificate of incorporation dated January 27, 2009 issued to Inscribe Graphics Private Limited having CIN number U92100TN2009PTC070565 by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands.
2. Certificate of incorporation pursuant to conversion into a public limited company dated November 16, 2017 issued to Inscribe Graphics Limited having CIN number U92100TN2009PLC070565 by the Registrar of Companies, Chennai.

#### **II. Approvals in relation the Issue**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on September 7, 2017 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the extra ordinary general meeting held on, November 1, 2017 authorized the Issue.
3. In-principle approval from the NSE dated [•].

#### **III. Approvals in relation to our Business**

1. The permanent account number of our Company is AACCI0211Q, received on January 27, 2009.
2. The tax deduction account number of our company is CHEI06631D received on December 22, 2017.
3. The GST number of our Company is 33AACCI0211Q1ZT received on September 26, 2017.
4. Letter of Undertaking bearing number C.No.IV/16/01/2017-GST MISC P3 for export of goods and services without the payment of integrated tax under rule (96) of Central Goods and Service Tax (CGST) Rules 2017 by the Office of the Assistant Commissioner of GST and Central Excise dated October 17, 2017 and valid till October 16, 2018.
5. Certificate of Registration bearing number AACCI0211QSD001 under Chapter V of the Finance Act 1994 read with the Service Tax Rules, 1994 in Form ST-2 for taxable services such as rent-a-cab scheme operator service, security detective agency service and manpower recruitment/supply agency service, issued by the Central Board of Excise and Customs, Ministry of Finance dated October 6, 2015.

6. Certificate of Registration bearing number 14-185-PE-01407 under Tamil Nadu Professional Tax issued by the Greater Chennai Corporation.
7. Our Company has obtained the Importer Exporter Code allotment letter bearing IEC number 0414053982, issued by Office of Additional Director General of Foreign Trade, Ministry of Commerce, Government of India dated March 30, 2015.
8. Our Company has obtained the Entrepreneurs Memorandum Part –II bearing registration number 330032247837 under the Micro, Small and Medium Enterprise Development Act, 2006 for registration as a Small Company, issued by the Department of industries and Commerce, Government of Tamil Nadu dated December 31, 2014.
9. Certificate of registration bearing number 177/09 under the Tamil Nadu Industrial Establishments (National and Festival Holiday) Act, 1958 issued by the Assistant Inspector of Labour, Chennai dated May 14, 2009.
10. Certificate of registration bearing number TN/54165 under the Employees Provident Fund & Miscellaneous Provisions Act, 1952, issued by the Employees Provident Fund Organization, Ministry of Labour dated May 18, 2009.
11. Certificate of registration bearing ESI code 51-00-091762-000-1008 under the Employees State Insurance Act, 1948 issued by the Employee State Insurance Corporation, dated September 7, 2010.

#### IV. Approvals in relation to Intellectual Property.

Sr. No.	Particulars of the Mark	Mark Type	Trademark/Applicatio n Number	Class	Issuing Authority	Status
1	Inscribe GRAPHICS	Word	3696117	42	Trademark Registry, Chennai, Government of India	Marked for exam
2		Device	3696118	42	Trademark Registry, Chennai, Government of India	Accepted and Advertised

#### B. Approvals For Our Branch Company

##### I. Incorporation details

1. Certificate of incorporation of Inscribe Graphics LLC issued by the Secretary of State, State of California,U.S.A dated March 13, 2012.

##### II. Approvals in relation to our Business

1. Employer Identification Number 33-1223439 issued by Department of the Treasury, Internal Revenue Services, Philadelphia, U.S.A dated May 3, 2012.

#### C. Approvals For Our Subsidiary Company

##### I. Incorporation details

1. Certificate of incorporation of Inscribe Graphics INC incorporated as a Domestic C-Corp having CA California Corp number C4072835 issued by the Secretary of State, State of California,U.S.A dated October 8, 2017.

**II. Approvals in relation to our Business**

1. Employer Identification Number 36-487980 issued by Department of the Treasury, Internal Revenue Services, Philadelphia, U.S.A dated October 10, 2017.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on September 7, 2017 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on November 1, 2017 authorized the Issue.

Our Company has obtained in-principle approval from NSE for using its name in the Draft Red Herring Prospectus/ Red Herring Prospectus pursuant to an approval letter dated [●]. NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or other governmental authorities**

Our Company, our Promoters, members of the Promoter Group, our Directors, Group Companies or the person(s) in control of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or Government Authorities.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoters, Directors, persons in control of our Company are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

The listing of any securities of our Company has never been refused at any time by any of the Stock Exchanges in India or abroad.

### **Association with Securities Market**

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as Promoters or Directors.

### **Prohibition by RBI**

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter by the RBI or other governmental authority and no such proceedings are pending against any of them except as details provided in the chapter titled “*Outstanding Litigations and Material Development*” on page 156 of this Draft Red Herring Prospectus.

### **Eligibility for the Issue**

Our Company is in compliance with the following conditions specified in Regulation 4(2) of the SEBI (ICDR) Regulations to the extent applicable:

- a) Our Company, our Directors and the companies with which our Directors are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- b) Our Company has applied to the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue on NSE EMERGE and has received the in-principle approval pursuant to its letter dated [●]. For the purposes of this Issue, the NSE shall be the Designated Stock Exchange;
- c) Our Company has entered into tripartite agreement dated January 29,2018 with NSDL AND Corporate Services Limited, Chennai for dematerialisation of the Equity Shares;

d) Our Company has entered into tripartite agreement dated January 16, 2018 with CDSL, for dematerialization of the Equity Shares; and

e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

Further, in compliance with Regulation 4(5) of the SEBI (ICDR) Regulations, none of our Company, Promoters or Directors is a Willful Defaulter, as on the date of this Draft Red Herring Prospectus.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital does not exceed ten crore rupees Therefore, we may issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE EMERGE”).

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total Issue size. For further details pertaining to said underwriting please refer to chapter titled “*General Information – Underwriting*” beginning on page 44 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to 50 (fifty), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 8 (eight) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 8 (eight) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the SEBI (ICDR) Regulations, Companies Act 2013 and other applicable laws.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits a copy of the Draft Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of 3 (three) years from the date of listing of Equity Shares on the NSE EMERGE. For further details of the arrangement of market making, see chapter titled “*General Information – Details of the Market Making Arrangements for this Issue*” beginning on page 44 of this Draft Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company has Net Tangible Assets of at least ₹ 1 Crore as per the latest audited financial results (as restated). As on September 30, 2017 the Company has Net Tangible Assets\* of ₹8.56 Crores which satisfies the criteria of having Net Tangible Assets of at least ₹ 1.00 Crore.

*\*Net tangible assets are defined as the sum of all net assets of the Company, excluding intangible assets and Net Deferred Tax as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.*

The Net Worth\*\* (excluding revaluation reserves) of the Company is at least ₹1 Crore as per the latest audited financial results.

*\*\*Net worth includes Equity Share Capital and Reserves (excluding revaluation reserves, Miscellaneous Expenditure not written off, if any & Debit Balance of Profit and Loss Account not written off, if any).*

Track record of distributable profits in terms of Section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months.

Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least ₹3 Crores.

Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated January 16, 2018 and National Securities Depository Limited dated January 29, 2018 for establishing connectivity.

Our Company has a website which can be accessed at the following link: [www.inscribegraphics.com](http://www.inscribegraphics.com).

There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

1. Our Company was incorporated as Inscribe Graphics Private Limited under the provisions of the Companies Act, 1956 with Certificate of Incorporation bearing registration number 070565 dated January 27, 2009 issued by the Registrar of Companies, Chennai. Subsequently, upon conversion of our Company to a public limited company, a fresh Certificate of Incorporation was issued vide SRN G60852175 dated November 16, 2017. The Corporate Identification Number of our Company is U92100TN2009PLC070565.
2. The post issue paid up capital of the company will be 93,46,000 equity shares of face value of ₹ 10/- each aggregating to ₹ 934.60 lakhs which is less than ₹ 25 crores.
3. Our Company has been incorporated in January 2009 and has been in the current line of business since 2009 hence it has track record of more than three years. Our Promoters, Mr. Prakash Radhakrishnan, A. Omer Sheriff and Ms. Vimla Thomas have been associated with our Company since incorporation and by virtue of their positions as Managing Director and Directors respectively, have critical knowledge and expertise in our business. For further details, see chapter titled “Our Business” and “Our Management” beginning on page 88 and 109 of this Draft Red Herring Prospectus.
4. Our Company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the application and its net-worth as on March 31, 2017 is positive.
5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
6. There is no winding up petition against our Company that has been admitted by the Court / NCLT/NCLAT and no liquidator has been appointed against the Company.
7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of Promoters, Group Companies, companies promoted by the Promoters of the Company.
9. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, financial institutions by our Company, Promoters, Group Companies, companies promoted by the Promoters during the past three years.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE).

#### **Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations**

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 21, 2018 WHICH READS AS FOLLOWS:**

**WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
  - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
  - 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
  - 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
  - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
  - 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
  - 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE**

COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.

10. WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – NOTED FOR COMPLIANCE.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUB REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS. - NOT APPLICABLE.**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE - NOTED FOR COMPLIANCE.**

*Note:*

*The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Draft Red Herring Prospectus.*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus/Prospectus with the Registrar of Companies, Chennai, Tamil Nadu in terms of sections 26, 32 and 33 of the Companies Act, 2013.*

**Statement on Price Information of Past Issues handled by Mark Corporate Advisors Private Limited:**

Sr No.	Issue Name	Issue Size (in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Madhya Pradesh Today Media Limited	14.18	66.00	September 29, 2017	70.00	36.89% 5.46%	100.45% 7.58%	NA

**Summary statement of Disclosure:**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered between the Book Running Lead Manager (Mark Corporate Advisors Private Limited) and our Company on January 16, 2018 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Track Record of past issues handled by Mark Corporate Advisors Private Limited**

For details regarding track record of BRLM to the issue as specified in Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at [www.markcorporateadvisors.com](http://www.markcorporateadvisors.com)

### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2500.00 (Twenty Five Hundred) Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 (Twenty Five Hundred) Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **Disclaimer Clause of the NSE**

As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Issue Document as the stock exchanges on which Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 any other reason whatsoever.

### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Filing**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

This Draft Red Herring Prospectus shall not be filed with the SEBI nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Red Herring Prospectus/ Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, 7th Floor, 756-L, Overseas Towers, Anna Salai, Chennai – 600 002, Tamil Nadu, for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Tamil Nadu, Chennai.

### **Listing**

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within 6 (Sixth) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within 6 (Sixth) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

*(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

Shall be liable to action under section 447 of the Companies, Act 2013. The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## Consents

Consents in writing of (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, Chief Financial Officer, our Statutory Auditor, our Peer Review Auditor (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

\*The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Ramraj & Co, Statutory Auditor and Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated Financial Statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus / Red Herring Prospectus.

## Experts Opinion

Except for the reports in the section titled “*Financial information of the Company*” and “*Statement of Tax Benefits*” beginning on page 128 and page 68 of this Draft Red Herring Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions.

## Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ 108.00 Lakhs, which is [●] % of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB’s commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The estimated Issue expenses are as under:-

No.	Particulars	Amount (In Lakhs)	Percentage Of Total Estimated Issue Expenditure	Percentage Of Issue Size
1.	Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc and other out of pocket expenses	[●]	[●]	[●]
2.	Printing and Stationery and postage expenses, Advertising and Marketing expenses	[●]	[●]	[●]
3.	Regulatory fees and expenses	[●]	[●]	[●]
	<b>Total estimated Issue Expenses</b>	<b>108.00</b>	[●]	[●]

\*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA’s and CDPs

**Fees, Brokerage and Selling Commission payable to the Book Running Lead Manager/ Underwriters/Market Maker(s)**

The total fees payable to the Book Running Lead Manager will be as per the (i) Memorandum of Understanding dated January 16, 2018 with the Book Running Lead Manager-“Mark Corporate Advisors Private Limited”, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the MOU between our Company and the Registrar to the Issue dated January 24, 2018 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years**

Except as disclosed in chapter titled “*Capital Structure*” beginning on page 50 in this Draft Red Herring Prospectus, our Company has not made any previous public or rights issue in India or Abroad the 5 (five) years preceding the date of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

For a detailed description, see chapter titled “*Capital Structure*” beginning on page 50 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 50 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

**Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

All of our Group / Associate are unlisted and have not made a public issue of shares.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

### **Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus can be applied for in dematerialized form only.

### **Stock Market Data of the Equity Shares**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least 3 (three) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 15(fifteen) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. G. Someswara Rao as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

#### **Inscribe Graphics Limited**

174, Developed Plots Industrial Estate,  
Perungudi,  
Chennai-600096, Tamil Nadu  
Telephone: 044- 42061015  
Website: <http://www.inscribegraphics.com>  
Email id: [cs@inscribegraphics.com](mailto:cs@inscribegraphics.com)

For further details, see chapter titled “*Our Management*” beginning on page 109 of this Draft Red Herring Prospectus.

**Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.**

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Change in Auditors during the last three (3) years**

No changes has been made in the Auditors during the last three years except for the appointment of M/s. Ramraj & Co., Chartered Accountants, Mogappair, Chennai- 600 096, as the Statutory Auditors of the Company in the Annual General Meeting held on August 28, 2017 in place of the R. Baskaran & Co., Chartered Accountants, Chennai, retiring auditor.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled “*Capital Structure*” beginning on page 50 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last 5 (five) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in 5 (five) years preceding the date of this Draft Red Herring Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any sale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such sale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the chapter titled “*Statement of Tax Benefits*” beginning on page 68 of this Draft Red Herring Prospectus.

### **Purchase of Property**

Other than as disclosed in chapter titled “*Our Business*” on page 88 of the Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Red Herring Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

**Servicing Behavior**

Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principle in respect of our borrowings or deposits.

**Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 109 and “*Related Party Transactions*” beginning on page 124 of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION VII- ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, the Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the bid cum application forms.*

#### **Authority for the Present Issue**

The present Public Issue of 25,26,000 Equity Shares in terms of the Red Herring Prospectus has been proposed and authorized by the Board of Directors pursuant to a resolution dated September 07,2017 and by the shareholders pursuant to the special resolution passed in an Annual General Meeting held on November 01,2017 under Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to the section titled “*Main Provisions of the Articles of Association*” on page 228 of this Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association and the provisions of the Listing Agreement executed with the Stock Exchange, and shall be recommended by the Board of Directors and the shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends if any, in cash and as per provisions of the Companies Act 2013.

For further details, please refer to the section titled “*Dividend Policy*” on page 127 of this Draft Red Herring Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of ₹10/- each are being offered in terms of this Red Herring Prospectus at the price of [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 66 of this Red Herring Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, terms of Listing Agreements with Stock Exchange and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association*" beginning on page 228 of this Draft Red Herring Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, trading in the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum lot size of 3,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful bidders.

### **Minimum Number of Allottees**

The minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of Issue.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

*In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred per cent underwritten. Thus, the underwriting obligations shall be for the entire hundred per cent of the Issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.*

*In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).*

*Further, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lac per application.*

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 3,000shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum lot size allowed for trading on the NSE Emerge.

### **Restrictions, If any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting.**

Except for the lock in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in chapter titled "Capital Structure" on page 50 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer to the section titled "Main Provisions of the Articles of Association" on Page 228 of this Draft Red Herring Prospectus.

### **Option to receive Equity Shares in Dematerialized Form**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Bidders will not have an option of Allotment of the Equity Shares in physical form. Bidders shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

### Migration to Main Board

Our Company may migrate to the main board of NSE from SME platform of NSE on a later date subject to the following:

- a) If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board.

OR

- b) If the Paid up Capital of the company is more than ₹10crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE Emerge), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of NSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to “General Information - Details of the Market Making Arrangement for this Issue” on page 44 of this Draft Red Herring Prospectus.

In accordance with the SEBI Circular No.CIR/MRD/DSA/31/2012 dated November 27, 2012, it has been decided to make applicable limits on the upper side for the Market Maker during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹20 Crore, (as applicable in our case)	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

Further, the following shall apply to market makers while managing their inventory during the process of market making:

The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.

Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market makers

The Market Maker shall give two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Chennai, India.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“**Securities Act**”) or any state securities laws in the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to, registration Issues and sales occur.

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

### Period of Operation of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	<b>[Day, Date], 2018</b>
<b>ISSUE CLOSES ON</b>	<b>[Day, Date], 2018</b>

### Submission of Application

<b>(Issue period except the Issue Closing date)</b>	
Submission and Revision in Application	Only between 10.00a.m. and 5.00p.m. IST
<b>Issue Closing Date</b>	
Submission and Revision in Application	Only between 10.00a.m. and 3.00p.m. IST

### On the Issue Closing Date, the Applications shall be uploaded until:

- i. 4.00 p.m. IST in case of Applications by QIBs and Non Institutional Investors
- ii. 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, incase of Applications received by Retail Individual Investors

On the Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Applications received by Retail Individual Investors after taking into account the total number of Applications received and as reported by the Book Running Lead Manager to the Stock Exchange.

It is clarified that Applications not uploaded on the electronic bidding system or in respect of which the full Bid amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Bidders are advised to submit their Applications one day prior to the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Applications are received on the Issue Closing Date, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only during Monday to Friday (excluding any public/bank holiday).None among our Company or Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital not more than ten Crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“NSE Emerge”, in this case being the SME Platform of NSE).

For further details regarding the salient features and terms of such an Issue please refer the section titled “*Terms of the Issue*” and “*Issue Procedure*” on page 181 and 188 of this Draft Red Herring Prospectus.

The issue is being made by way of Book Built Issue.

### **Following is the Issue structure**

Public Issue of 25, 26,000 Equity Shares of ₹10/- each for cash at a price of ₹ [•] per Equity Share (including a Share premium of ₹ [•] per Equity Share) aggregating to ₹[•] Lakhs. The Issue comprises reservation of 1,86,000 Equity Shares for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of 23,40,000 Equity Shares (“the Net Issue”).

<b>Particulars of the Issue</b>	<b>Net Issue to Public*</b>	<b>Market Maker Reservation Portion</b>
<b>Number of Equity Shares available for allocation</b>	25,26,000 Equity Shares	1,86,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	92.64 % of the Issue size	7.36% of the Issue size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each  For further details please refer to the section titled “ <i>Issue Procedure – Basis of Allotment</i> ” on page 188 of this Draft Red Herring Prospectus.	Firm Allotment
<b>Mode of Application*</b>	Through ASBA Process Only	Through ASBA Process Only
<b>Minimum Application Size</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds ₹2,00,000.  <b>For Retail Individuals:</b> 3,000 Equity Shares	1,86,000 Equity Shares
<b>Maximum Application Size</b>	<b>For QIB and NII:</b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable.  <b>For Retail Individuals:</b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value does not exceed ₹2,00,000/-.	1,86,000 Equity Shares
<b>Mode of Allotment</b>	Dematerialized Form only	Dematerialized Form only
<b>Trading Lot</b>	3,000 Equity Shares	3,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required

		under the SEBI (ICDR) Regulations, 2009.
<b>Terms of Payment</b>	Full Bid amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders that is specified in the ASBA Form at the time of submission of the ASBA Form	

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Issue is a Book Building process 'the Allocation' in the net Issue to the public category shall be made as follows:

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

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

\* In case of joint Applications, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

#### **Withdrawal of the Issue**

The Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of NSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and;
2. The final ROC approval of the Red Herring Prospectus after it is filed with the ROC.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Red Herring Prospectus/Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Red Herring Prospectus/Prospectus.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid cum Application Form, .On the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Bidders are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issue is, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded were not be considered for allocation under this Issue.

Applications were accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) included below under section “-PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the issue procedure for initial public Issueings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept Bid cum application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 1,2016.*

*Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Draft Red Herring Prospectus and the Draft Red Herring Prospectus.*

*This section applies to all the Bidders, please note that all the Bidders are required to make payment of the full Application Amount along with the Bid cum Application Form.*

**Our Company and the BRLM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of the Red Herring Draft Red Herring Prospectus and this Draft Red Herring Prospectus.**

### PART A

#### **Book Building Issue Procedure**

This Issue is made in compliance with the provisions of Reg. 106(M)(2) of Chapter XB of the SEBI ICDR Regulations and through the Book Building Process wherein 50% of the net issue to Public was made available for allocation to Retail Individual Bidders and the balance shall be available for allocation to QIBs and Non-Institutional Bidders. Further 5.10% of the Issue is reserved for allocation to the Market Maker.

Under-subscription, if any, in any category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

Subject to valid Bids received at or above the issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for retail portion where allotment to each retail bidder shall not be less than the minimum bid lot subject to availability of Equity shares in Retail portion, and the remaining available Equity shares, if any, shall be allotted on a proportionate basis.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange. **Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

## Bid cum Application Form

Copies of the Bid cum Application Form and the abridged Red Herring Prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Book Running Lead Manager, SCSBs, the NSE ([www.nseindia.com](http://www.nseindia.com)), the terminals of the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Bidders were mandatorily required to participate in the Issue only through the ASBA process. ASBA Bidders were required to provide bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form that does not contain such details are liable to be rejected.

ASBA Bidders were required to ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed color of the Bid cum Application Form for various categories is as follows:

Category	Color*
Resident Indians and Eligible NRIs applying on a Non-Repatriation Basis (ASBA)	White
Non-Residents, Eligible NRIs and FIIs applying on a repatriation basis (ASBA)	Blue

Bidders shall only use the specified Bid cum Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus.

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015, an investor intending to subscribe to this Issue shall submit a completed Bid cum Application form to any of the following intermediaries (collectively called as “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	SCSB with whom the bank account is maintained which is to be blocked
2.	Syndicate Member (including sub syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (DP) (whose name is mentioned on the website of the stock exchange as eligible for this Activity)
5.	A registrar to an Issue and Share transfer agent (RTA) (whose name is mentioned on the website of the stock exchange as eligible for this Activity)

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, as a proof of having accepted the bid cum application form in physical or electronic mode respectively.*

## Processing of Applications by Designated Intermediaries

**Applications submitted to SCSBs:** After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and block the necessary funds available in the bank account as specified in the Bid cum Application Form to the extent of application money specified.

**Applications submitted to other than SCSBs:** After accepting the form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the bid cum application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Bidders shall submit the Bid cum Application Forms either in physical or electronic form to the SCSBs authorizing blocking funds that are available in the bank account specified in the bid cum application form used by bidders.

### **Availability of Red Herring Prospectus/Draft Red Herring Prospectus and Bid cum Application Forms**

The Memorandum Form 2A containing the salient features of the Red Herring Prospectus together with the Bid cum Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered office of our Company, Book Running Lead Manager to the Issue, Registrar to the Issue and the collection centers of the Bankers to the Issue, as mentioned in the Bid cum Application Form. The Bid cum application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Who can bid?**

In addition to the category of Bidders as set forth under —Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue” on page 213 of this Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non- Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

### **Option to subscribe in the Issue**

- a) As per Section 29 of the Companies Act, 2013, allotment of Equity Shares will in dematerialized form only.
- b) The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Participation by Associates/Affiliates of BRLM**

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates and affiliates of the BRLM , if any may subscribe to Equity Shares in the Issue, in the category as may be applicable to the Bidders, where the allotment is on a proportionate basis in such subscription, may be on their own account or behalf of their clients.

### **Bids by Indian Public Including Eligible NRI’s Applying on Non-Repatriation**

Bid cum Application was required to be made only in the names of individuals, Limited Companies or Statutory Corporations /institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application was required to be made by the Karta of the HUF. AnBidder in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

### **Bids by Eligible NRIs on Repatriation basis**

Bid cum Application Forms were made available for eligible NRIs at our registered office and at the office of the Book Running Lead Manager to the Issue.

Eligible NRIs Bidders may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the category. The Eligible NRIs who intend to get the

amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for this category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30(thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

**As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.**

- a) A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where “infrastructure” is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as “Infrastructure Finance Companies” (IFC) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- b) Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Issue and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
- c) In respect of investments in the secondary market, the following additional conditions shall apply:
  - i. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - ii. Nothing contained in clause (a) shall apply to:
    - Any transactions in derivatives on a recognized stock exchange;
    - Short selling transactions in accordance with the framework specified by the Board;
    - Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - Any other transaction specified by the Board.
  - iii. No transaction on the stock exchange shall be carried forward;
  - iv. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
    - ❖ transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - ❖ Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ❖ Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

- ❖ Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
  - ❖ divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - ❖ Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - ❖ Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the Issue or subscribing to the unsubscribed portion of the Issue in accordance with Chapter XB of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - ❖ Any other transaction specified by Board.
- v. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
- d) Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
- e) The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- f) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- g) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- h) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b. Such off-shore derivatives instruments are issued after compliance with “know your client” norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore Derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to offshore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI(Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of afore said regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### **Bids by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid Cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Bid made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Bids by Limited Liability Partnerships**

In case of bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Bids by Insurance Companies**

In case of bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

### **Bids by Provident Funds/ Pension Funds**

In case of bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The above information is given for the benefit of the Bidder. Our Company, BRLM and Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in the Red Herring Prospectus.

### **Bids by Banking Companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 10% of the paid up share capital of the investee company or 10% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Bids under Power of Attorney**

In case of bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Bids made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Bids made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Bid cum Applications made by provident funds, subject to applicable law, with minimum corpus of ₹2,500Lacs and pension funds with minimum corpus of ₹2,500Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

## Maximum and Minimum Application Size

### For Retail Individual Bidders

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Share thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000.

### For Other Bidders (Non Institutional Bidders and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Bid amount exceeds ₹2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB or Non Institution Bidders cannot withdraw or lower its Application at any stage of Issue.

In case of revision in Applications, the Non Institutional Bidders, who are individuals, have to ensure that the Bid amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Our Company announced the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation. This announcement contained relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement was disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and also pre-filled in the bid cum application forms available on the websites of the stock exchanges.
4. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.
5. The Book Running Lead Manager dispatched the Red Herring Prospectus and other Issue material including Bid cum Application Form, to the Designated Stock Exchange, members of the Syndicate, Bankers to the Issue, investors' associations and SCSBs in advance.

6. Copies of the Bid cum Application Form were made available for all categories of Bidders, with the Designated Branches, members of the Syndicate (at the Syndicate ASBA Bidding Centers) and at our Registered Office. Electronic Bid cum Application Form were made available on the websites of the SCSBs and on the websites of the Stock Exchanges at least one Working Day prior to the Issue Opening Date. Copies of the Bid cum Application Form were made available for the Retail Individual Bidders with the members of the Syndicate and at our Registered Office.

**The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.**

#### **Method and Process of Bids**

1. The Designated Intermediaries shall accept applications from the Bids during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 (ten) Working Days.
3. During the Issue Period, Bidders who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Bidder cannot apply on another Bid cum Application Form after bids on one Bid Cum Application Form have been submitted to the Designated Intermediaries. Submission of a second Bid cum Application form to either the same or to another Designated Intermediaries will be treated as multiple bids and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the bid cum application forms shall be responsible for uploading the application along with other relevant details in bid cum application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All bids shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such bids with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such bids and shall not upload such bids with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the bid Amount mentioned in the Bid cum Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Bidders on request.
9. The bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful bidders to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **Terms of Payment / Payment Instructions**

The entire Issue Price of ₹[•] per share is payable on application. All the bidders are required to use ASBA facility to make the payment. In case of allotment of lesser number Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on application to the bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The bidders should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

## Payment mechanism

The bidders shall specify the bank account number in their Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Bid amount. However Non Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidders, as the case may be.

*Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 potential investors shall invest in the public issue through ASBA Mode only.*

## Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the bids accepted by them,
  - ii. the bids uploaded by them
  - iii. the bids accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid cum Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to
  - i. the bids accepted by any Designated Intermediaries
  - ii. the bids uploaded by any Designated Intermediaries
  - iii. the bids accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to bids by bidders, at the time of registering such bids, the Syndicate members, DPs and RTAs shall forward a Schedule along with the Bid cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr.No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code

4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above mentioned fields*

7. With respect to bids by bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the bids into in the on-line system:
  - Name of the bidder;
  - IPO Name;
  - Bid cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number
8. In case of submission of the Bid by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for bids.

### **Allocation of Equity Shares**

The Issue is being made through the Book Building Process where in 25,26,000 Equity Shares shall be reserved for Market Maker 1,86,000 Equity Shares will be allocated on Proportionate basis to Retail Individual Bidders, subject to valid bids being received from Retail Individual Bidders at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Bidders.

Under-Subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.

Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

In terms of SEBI Regulations, Non Retail Bidders shall not be allowed to either withdraw or lower the size of their applications at any stage.

Allotment Status details shall be available on the website of the Registrar to the Issue.

### **General Instructions**

#### ***Do's:***

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Bid Cum Application Form;
- Ensure that you have Bid within the Price Band;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the bidders should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant;
- Ensure that you have funds equal to the Bid amount in the ASBA account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Bid cum Application Form is signed by the account holder in case the bidder is not the account holder;
- Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- Ensure that the Bid cum Application Forms are delivered by the bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your bid options;
- All Investors submit their bids through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### ***Dont's***

- Do not Bid for lower than the minimum Bid size;

- Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders and Eligible Employees);
- Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
- If you are a Non-Institutional Investor, Retail Individual Investor or Eligible Employee do not submit your Bid after 3.00 pm on the Bid/ Issue Closing Date;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Bids at Different Price Levels and Revision of Bids**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Other Instructions**

##### *Joint Applications in the case of Individuals*

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### ***Multiple Applications***

A Bidder should submit only one bid (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Bidder is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and bidder's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Bidder cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Bidder may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Bid cum Application Forms with respect to any single ASBA Account.

Duplicate copies of Bid cum Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Bidders other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Bidders for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Bid cum Application Forms will be checked for common DP ID and Client ID.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Bidder should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

#### **Signing of Underwriting Agreement**

Vide an Underwriting Agreement dated [Date, Year] this issue is 100% Underwritten.

#### **Filing of the Red Herring Prospectus with the ROC**

The Company will file a copy of the Red Herring Prospectus with the RoC in terms of 26 of the Companies Act, 2013.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-Issue advertisement, we stated the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **Advertisement regarding Issue Price and Prospectus**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price.

Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **Issuance of a Confirmation of Allocation Note (“CAN”)**

1. Upon approval of the basis of allotment by the Designated Stock Exchange.
2. The Book Running Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their bidders who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bid.

#### **Undertakings by our Company**

The Company undertakes the following:

1. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date;
3. That if the Company does not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the our Promoters’ contribution in full has already been brought in;
5. All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Issue Closing Date;

6. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
7. That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
8. Adequate arrangements shall be made to collect all Bid cum Application Forms from the bidders.
9. That none of the promoters or directors of the company is willful defaulter under Section 4(5) of SEBI (ICDR) Regulations, 2009 as per the (Third Amendment) in SEBI (ICDR) Regulations, 2016 dated May, 25, 2016.

#### **Utilization of Issue Proceeds**

Our Company declares that all monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013.

#### **Communications**

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or theSCSB / Designated Intermediary, where the Bid was submitted and bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, unblocking of funds, etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

#### **Impersonation**

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name.

Shall be liable to action under section 447 of the Companies, Act 2013.

#### **SIGNING OF UNDERWRITING AGREEMENT**

Vide an Underwriting agreement dated [\*] this issue is 100% Underwritten.

#### **FILING OF THE PROSPECTUS WITH THE ROC**

The company will file a copy of the Prospectus with the Registrar of Companies, Chennai TamilNadu, in terms of Section 32 of Companies Act, 2013.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

**DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

**UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file afresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
6. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed.

**UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

**WITHDRAWAL OF THE ISSUE**

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment,

with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final RoC approval of the Red Herring Prospectus/Prospectus after it is filed with the concerned ROC
2. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated January 29, 2018;
- (b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated January 16, 2018. The Company's Equity shares bear an ISIN No. – INE181Z01017

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness so this or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **COMMUNICATIONS**

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts etc.

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Book Running Lead Manager are not liable for any amendments,

modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

## **ASBA PROCESS**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Book Running Lead Manager.

Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

### **Who can apply?**

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May1, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

### **Mode of Payment**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the Applicants from the respective

ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application, as the case may be.

### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA, as the case maybe.

## PART B GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013, The Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

### Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the Book Building process. The purpose of the *“General Information Document for Investing in Public Issues”* is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*“SEBI ICDR Regulations, 2009”*).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Red Herring Prospectus filed by the Issuer with the Registrar of Companies (*“RoC”*). Bidders should carefully read the entire Red Herring Prospectus and the Bid cum Application Form and the Abridged Red Herring Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Red Herring Prospectus, the disclosures in the Red Herring Prospectus shall prevail. The Draft Red Herring Prospectus of the Issuer is available on the websites of stock exchange, on the website(s) of the **BRLM** to the Issue and on the website of Securities and Exchange Board of India (*“SEBI”*) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section “Glossary and Abbreviations”.

### Section 2: Brief Introduction to IPOs on SME Exchange

#### 2.1 Initial public Issue(IPO)

An IPO means an Issue of specified securities by an unlisted Issuer to the public for subscription and may include an Issue for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer. For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Bidder may refer to the Red Herring Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M(1) : An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of thisChapter.
- Regulation 106M(2) : An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of thisChapter.

The present Issue being made under Regulation 106M(1) of Chapter XB of SEBI (ICDR) Regulation.

## 2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, The Companies Act, 2013 as may be applicable (“the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) of SEBI (ICDR) Regulation, Company is not required to file any Issue Document with SEBI nor has SEBI issued any observations on the Issue Document. The Book Running Lead Manager shall submit the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issued in the Issue.
- e) The Issuer shall have a track record of three years.
- f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited financial results.
- g) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.
- h) The Post-issue paid up capital of the Issuer shall be less than ₹25 Crores.
- i) The Issuer shall mandatorily facilitate trading in demat securities.
- j) The Issuer should not have been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a Court or a Liquidator has not been appointed of competent jurisdiction against the Company.
- l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- m) The Issuer Company should have a website.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(1) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed ₹1000 Lakhs. Company also complies with the eligibility conditions laid by the NSE for listing of our Equity Shares in their SME Platform.

## 2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Red Herring Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue

advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the Red Herring Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

#### **2.4 Issue Period**

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders) and not more than ten Working Days. Bidders are advised to refer to the Bid-cum-Application Form and Abridged Draft Red Herring Prospectus or Red Herring Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

#### **2.5 Migration To Main Board**

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

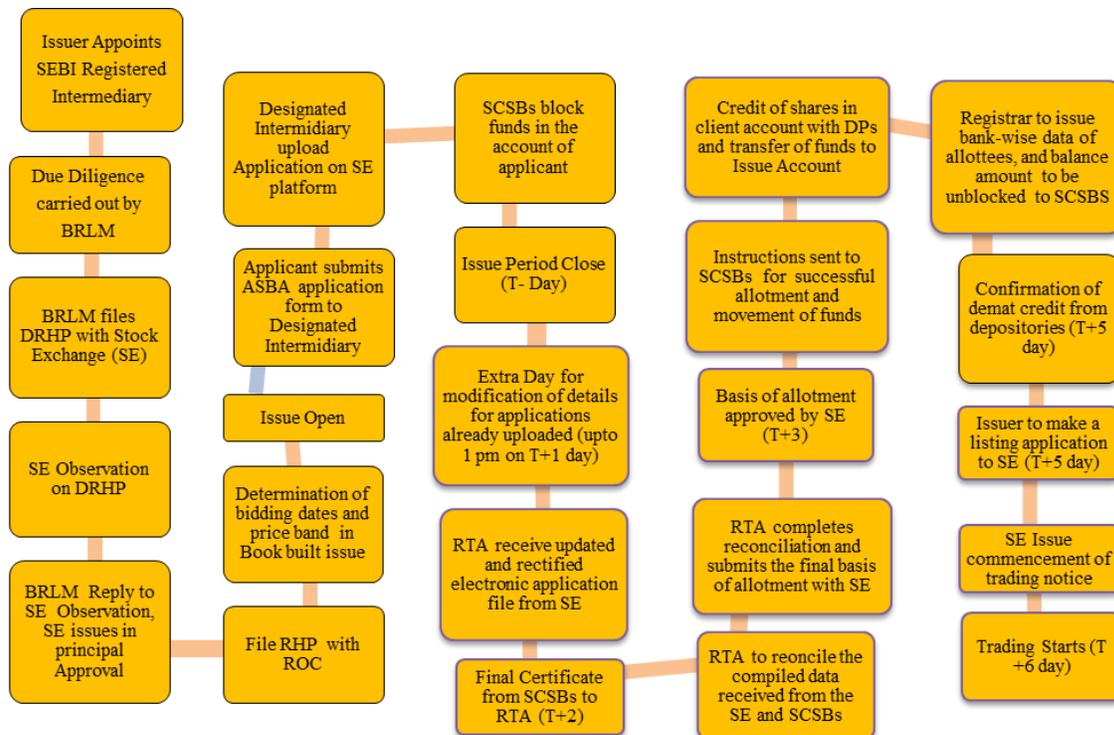
- a) If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to Stock Exchange for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than ₹10 crores but below ₹25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **2.6 Flowchart Of Timelines**

A flow chart of process flow in Book Building Issues is as follows:



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

**Each Bidder should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Bidders, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, in single or joint names (not more than three) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individual only under the Non-Institutional Bidder's category.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under

- their constitution to hold and invest in equityshares;
- EligibleQFIs;
  - Multilateral and Bilateral Development Financial Institutions;
  - National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
  - Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
  - Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under IndianLaws.

**Applications not to be made by:**

- **Minors (except underguardianship)**
- **Partnership firms or theirnominees**
- **Foreign Nationals (except NRIs)**
- **Overseas CorporateBodies**

As per the existing regulations, OCBs are not allowed to participate in an Issue.

**SECTION 4: APPLYING IN THE ISSUE**

**Book Building Issue:** Bidders should only use the specified Bid cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the BRLM. For further details regarding availability of Bid cum Application Forms, Bidders may refer to theRed Herring Prospectus.

Bidders should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders is asfollows:

Category	Color of the Application
<b>Resident Indian, Eligible NRIs applying on a non -repatriation basis</b>	<b>White</b>
<b>NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis</b>	<b>Blue</b>

**1.1. Instructions For Filing Application Form/ Bid cum Application Form**

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the Red Herring Prospectus and Application Form / Bid cum Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : _____ Contact Details : _____ CIN No : _____	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
----------------------------------------	---------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------

LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____	Bid cum Application Form No. _____
------------------------------------------------------	----------------------------------	------------------------------------

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr / Ms : _____
SUBBROKER'S / SUBAGENT'S STAMP & CODE	BROKER BANK/SCSB BRANCH STAMP & CODE	Address : _____
		_____ Email : _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Tel. No (with STDcode) / Mobile : _____
		2. PAN OF SOLE / FIRST BIDDER : _____

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS																											
For NSDL, enter 3 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	<input type="checkbox"/> Individual - IND <input type="checkbox"/> Hindu Undivided Family - HUF <input type="checkbox"/> Bodies Corporate - CB <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indian - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																											
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")	5. CATEGORY																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (in Figures) (Bid must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 0.05 only) (in Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8   7   6   5   4   3   2   1</td> <td>8   7   6   5   4   3   2   1</td> <td>8   2   1</td> <td>8   2   1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>OR) Option 2</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Bid Options	No. of Equity Shares Bid (in Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 0.05 only) (in Figures)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price	Option 1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   2   1	8   2   1	<input type="checkbox"/>	OR) Option 2					<input type="checkbox"/>	(OR) Option 3					<input type="checkbox"/>	<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
Bid Options			No. of Equity Shares Bid (in Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 0.05 only) (in Figures)			"Cut-off" (Please tick)																					
	Bid Price	Retail Discount		Net Price																								
Option 1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   2   1	8   2   1	<input type="checkbox"/>																							
OR) Option 2					<input type="checkbox"/>																							
(OR) Option 3					<input type="checkbox"/>																							

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) : _____ (₹ in words) : _____	
ASBA Bank A/c No. : _____	
Bank Name & Branch : _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNEXURE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONSENT THE "BIDDERS" UNDER TAKING AT GIVEN OVERLEAF, I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

9A. SIGNATURE OF SOLE / FIRST BIDDER	9B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>(Please adhere to the ASBA to do all transactions necessary to enable the Application in the bid)</small>	BROKER / SCSB / DP / RTA STAMP (Acknowledging online / Bid in Stock Exchange system)
	1) _____ 2) _____ 3) _____	
Date : _____		

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LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
DPID / CLID : _____			PAN of Sole / First Bidder : _____
Amount paid (₹ in figures) : _____	Bank & Branch : _____		Stamp & Signature of SCSB Branch
ASBA Bank A/c No. : _____			
Received from Mr/Ms : _____			
Telephone / Mobile : _____	Email : _____		

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<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td> </td> <td> </td> </tr> <tr> <td>Bid Price</td> <td> </td> <td> </td> </tr> <tr> <td>Amount Paid (₹)</td> <td> </td> <td> </td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Amount Paid (₹)			Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder : _____
Option 1	Option 2	Option 3													
No. of Equity Shares															
Bid Price															
Amount Paid (₹)															
ASBA Bank A/c No. : _____			<b>Acknowledgement Slip for Bidder</b>												
Bank & Branch : _____			Bid cum Application Form No. _____												

TEAR HERE

COMMON BID CUM APPLICATION FORM **XYZ LIMITED - INITIAL PUBLIC ISSUE - NR** FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS  
Address : \_\_\_\_\_ Contact Details: \_\_\_\_\_ CIN No. \_\_\_\_\_

LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED **BOOK BUILT ISSUE** Bid cum Application Form No. \_\_\_\_\_  
ISIN : \_\_\_\_\_

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCB/OF BANK/CSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	4. INVESTOR STATUS
For NSDL, enter 8 digit DP ID followed by 3 digit Client ID / For CDSL, enter 16 digit Client ID	<input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)
	<input type="checkbox"/> FI FI or Sub-account are a Corporate/Foreign Individual

4. BID OPTIONS (ONLY RETAIL, INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")				5. CATEGORY		
Bid Options:	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)	
Option 1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	<input type="checkbox"/>	
(OR) Option 2					<input type="checkbox"/>	
(OR) Option 3					<input type="checkbox"/>	

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED AGREED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the ASBA to debit all amounts necessary to make the Application in the line	BROKER / SCSE / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE: LOGO **XYZ LIMITED** Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. \_\_\_\_\_  
**INITIAL PUBLIC ISSUE - NR**

DPID / CLID	PAN of Sole / First Bidder
Amount paid (₹ in figures) _____ Bank & Branch _____	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. _____	
Received from Mr./Ms. _____	
Telephone / Mobile _____ Email _____	

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Amount Paid (₹)				
ASBA Bank A/c No. _____	Acknowledgement Slip for Bidder			Bid cum Application Form No. _____	
Bank & Branch _____					

### **1.1.1. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

### **1.1.2. FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of the share applied/bid for given in his or her Bid cum Application Form or earlier Revision Form.
- b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, should not exceed ₹ 2,00,000/- due to revision and the bid may be considered, subject to the eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.
- d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 2,00,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

### **1.1.3. FIELD 6: PAYMENT DETAILS**

- f) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- g) Bidder may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- h) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹2,00,000 the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- i) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

### **1.1.4. FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

## 1.2. SUBMISSION OF REVISION FORM/BID CUM APPLICATIONFORM

Bidders may submit completed Bid cum Application Form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
All Investor Bids	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid cum Application Form, in physical or electronic mode respectively.

## SECTION 5: ISSUE PROCEDURE IN BOOK BUILDING ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalized after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

### 5.1. SUBMISSION OF BIDS:

- (a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders/Applicants (excluding NIIs, NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to theRHP.

### 5.2. ELECTRONIC REGISTRATION OFBIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### 5.3. BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centers during the Bid/ Offer Period.

### 5.4. WITHDRAWAL OF BIDS

- (a) RIBs can withdraw their Bids until Bid/Offer Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after

the finalization of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

## 5.5. REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - i. the Bids accepted by the Designated Intermediary,
  - ii. the Bids uploaded by the Designated Intermediary, and
  - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs; and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

## 5.6. GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalization of the Basis of Allotment. Bidders/ Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs;
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) PAN not mentioned in the Bid cum Application Form/ Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (k) Bids/Applications at Cut-off Price by NIBs and QIBs;
- (l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (n) Submission of more than five ASBA Forms/Bid cum Application Forms per ASBA Account;
- (o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;
- (p) Multiple Bids/Applications as defined in this GID and the RHP/Draft Red Herring Prospectus;
- (q) Bids not uploaded in the Stock Exchanges bidding system.
- (r) Inadequate funds in the bank account to block the Bid/ Bid amount specified in the ASBA Form/Bid cum Application Form at the time of blocking such Bid/ Bid amount in the bank account;
- (s) Where no confirmation is received from SCSB for blocking of funds;
- (t) Bids/Applications by Bidders not submitted through ASBA process;
- (u) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the

Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Offer;

(v) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.7. BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Draft Red Herring Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Draft Red Herring Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

### (d) Illustration of the Book Building and Price Discovery Process

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.70%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The issuer, in consultation with the Book Running Lead Managers, will finalize the issue price at or below such cut-off price, i.e., at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

### (e) Alternate Method of Book-Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“Alternate Book Building Process”). The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be

Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

This being Book Built Issue, this section is not applicable for this Issue

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

### **7.1. Basis of Allotment**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. For Basis of Allotment to Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Bidders in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 3,000 Equity Shares the allotment will be made as follows:
  - i. Each successful Bidder shall be allotted 3,000 Equity Shares;
  - ii. The successful Bidders out of the total Bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2)above.
- d) If the proportionate allotment to an Bidder works out to a number that is not a multiple of 3,000 Equity Shares, the Bidder would be allotted Shares by rounding off to the lower nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidders in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of Bidders applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares Issued, the final allotment may be higher at the sole discretion of the Board of Directors, up-to 110% of the size of the Issue specified under the Capital Structure mentioned in the Red Herring Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual Bidders as described below:
  - i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. Remaining to Individual Bidders other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the Bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of NSE- Emerge.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds Bidders will be treated on the same basis with other categories for the purpose of allocation.

## 7.2. DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.  
  
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder's depository account is completed within 5 Working Days of the Issue Closing Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### 8.2 GROUNDS FOR UNBLOCKING OF FUNDS

#### 8.2.1. Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Red Herring Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the bid amount from the Investors accounts.

If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Red Herring Prospectus.

#### 8.2.2. Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire bid amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013. The minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### **8.2.3. MINIMUM NUMBER OFALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

### **8.3 Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### **8.3.1. Mode of making refunds for Bidders**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### **8.3.2. Interest In Case Of Delay in Allotment**

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

## **SECTION 9: GLOSSARY AND ABBREVIATIONS**

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation nas amended from time to time.

Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Bidders.
Allottee(s)	Successful Bidders to whom Equity Shares of our Company shall have been allotted.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Bid amount
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat
ASBA Investor/ASBA Bidders	Any prospective investor(s)/bidder(s) in this Issue who apply (ies) through the ASBA process
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●]
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 188 of this Draft Red Herring Prospectus
Bids	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form to subscribe for or purchase our Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under SEBI ICDR Regulations.
Bid Amount	The highest value of the optional Bids as indicated in the Bid-cum-Application Form and payable by the Bidder upon submission of the Bid in this Issue.
Bid Cum Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Draft Red Herring Prospectus.
Bid Lot	3000 Equity Shares
Bid/ Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids for the Issue, which shall be published by our Company in [●] edition of [●] (a widely circulated English national newspaper) and [●] editions of [●] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located)
Bid/Issue Closing Date	The date on which the Designated Intermediaries shall not accept Bids for the Issue, which shall be published by our Company in [●] edition of [●] (a widely circulated English national newspaper) and [●] editions of [●] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located)
Bid/Issue Period	The period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process/ Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is being made.
Broker Centers	Broker centers notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such

	Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange on the following link:- <a href="http://www.nseindia.com/Markets/PublicIssues/brokerCenters">http://www.nseindia.com/Markets/PublicIssues/brokerCenters</a>
Book Running Lead Manager/BRLM	Book Running Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, SEBI Registered Merchant Banker
Cap Price	The higher end of the Price Band, in this case being [●] per Equity Share above which the Issue Price will not be finalized and above which no Bids will be accepted
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful bidders indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Bidders with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Bidders and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Bidders
Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations, 2009
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red

	Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Emerge Platform of NSE	The EmERGE Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE EmERGE on October 14, 2011
Escrow Agreement	Agreement entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Bidders through the SCSBs Bank Account on the Designated Date in the Public Issue Account
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the Circular (CIR/CFD/DIL/12/2013) dated 23rd October, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 25,26,000 Equity Shares of face value of ₹10/- each fully paid of Inscribe Graphics Limited for cash at a price of ₹[•]per Equity Share (including a premium of ₹[•] per Equity Share) aggregating ₹[•]Lacs.
Issue Opening Date	The date on which Issue opens for subscription
Issue Closing Date	The date on which Issue closes for subscription
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹[•] per Equity Share of face value of ₹10/-each fully paid
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹[•]Lacs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE
Market Making Agreement	Market Making Agreement dated [Month, Date Year] between our Company, BRLM and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being [•], who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,86,000 Equity Shares of face value of ₹10/-each fully paid for cash at an issue price of ₹[•] per Equity Share aggregating ₹[•]Lacs to be subscribed by the Market Maker
MoU/Issue Agreement	The Memorandum of Understanding dated January 16, 2018 between our Company and Book Running Lead Manager.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 23,40,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹[•] Equity Share aggregating ₹[•] Lacs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue”

	beginning on page 60 of this Draft Red Herring Prospectus
Non-Institutional Investors	All Bidders that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2,00,000
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹[●] and includes revisions thereof. The Price Band for the Issue will be decided by our Company in consultation with the BRLM and the Minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised in [●] edition of [●] (a widely circulated English national newspaper) and [●] editions of [●] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the place where our Registered and Corporate Office is located), at least five Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their website.
Pricing Date	The date on which our Company in consultation with the BRLM, finalizes the Issue Price
Draft Red Herring Prospectus	The Draft Red Herring Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013.
Public Issue Account Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Bid amounts.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from SCSBs from the bank accounts of the ASBA Bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 Lacs, pension fund with minimum corpus of ₹2,500 Lacs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which monies to be refunded to the Bidders shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case

	listing of the Equity Shares does not occur, in this case being [●]
Registrar and Share Transfer Agents /Registrar to the Issue	Registrar to the Issue, in this case being CAMEO CORPORATE SERVICES LIMITED Subramanian Building, 1, Club House Road, Chennai-600 002 Contact Person: Mr. R. D. Ramasamy ,Tel No.: +91 44 2846 0390 E-Mail ID: cameo@cameoindia.com
Retail Individual Investor	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Bidders, who apply for an amount less than or equal to ₹2,00,000.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares in any of their Bid cum Application Forms or any previous Revision Form(s).
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
SCSB/ Self Certified Syndicate Banker.	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Specified Locations	Bidding Centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
Sub-Syndicate Members	A SEBI registered member of NSE appointed by the BRLM, and/ or the Syndicate Member to act as a Sub-Syndicate Member in the Issue.
Syndicate Agreement	The agreement dated [●] entered into among the BRLM, the Syndicate Members, Registrar of the Issue and our Company in relation to the collection of Bids in this Issue
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being Mark Corporate Advisors Private Limited.
Syndicate or Members of the Syndicate	Collectively, the BRLM and the Syndicate Members
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Bidder, as proof of registration of the Application
Underwriters	Mark Corporate Advisors Private Limited
Underwriting Agreement	The agreement dated [Month, date year] entered into between the Underwriter and our Company
Working Day	Unless the context otherwise requires: Working Days shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

### **RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 26% under automatic route in our Company. India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and then on-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered within the United States or to or for the account or benefit of "U.S. Persons" (as defined in Regulations), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered only outside the United States in offshore transaction in reliance on Regulations under the U.S securities Act and the applicable laws of the jurisdiction where those offers occur. However, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

**SECTION-VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

- ❖ Altered vide special resolution passed at the EGM held on November 01, 2017 for replacing the existing AOA with the following new AOA.

**THE COMPANIES ACT, 2013**  
**PUBLIC COMPANY LIMITED BY SHARES**  
 ❖ **ARTICLES OF ASSOCIATION**  
**OF**  
**\*\*\* INSCRIBE GRAPHICS LIMITED**

The following regulations comprised in these Articles Of Association were adopted pursuant to members' resolution passed at the Extra Ordinary General Meeting of the Company held on November 01,2017 in substitution for, and to the entire exclusion of ,the earlier regulations comprised in the extant Articles Of Association of the Company.

**TABLE – F**

- (1) The regulations contained in the Table marked 'F' in Schedule I of the Companies Act, 2013 shall 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.

<b>INTERPRETATION</b>		
<b>I</b>	1	In these Regulations:- a) "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section there of which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law,so far as may be applicable. b) "Articles" means these articles of association of the Company or as altered from time to time. c) "The Board Of Directors" or "The Board", means the collective body of directors of the Company. d) "Company" means <b>INSCRIBE GRAPHICS LIMITED</b> . e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. f) "Seal" means the Common Seal of the Company.
		Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
	(b)	
	2	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case maybe.
<b>II</b>		
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>		
	1.	Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
	2.	(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
		(a) one certificate for all his shares without payment of any charges; or
		(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
		(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
<b>*** Altered vide Special Resolution passed at the EGM held on 01.11.2017.</b>		
		(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3.	(i)	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
	(ii)	The provisions of Articles (2) and (3) shall <i>mutatis mutandis</i> apply to debentures of the company.
4.		Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder
5.	(i)	The company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder.
	(ii)	The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-Section (6) of Section 40.
	(iii)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6.	(i)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
	(ii)	To every such separate meeting, the provisions of these regulations relating to general meetings shall <i>mutatis mutandis</i> apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7.		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari-passu</i> therewith.
8.		<p>Subject to the provisions of Section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.</p> <p><b>DEMATERIALIZATION</b></p> <p>8A (i) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialize and rematerialize its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.</p> <p style="text-align: center;">Options for Investors</p> <p>(ii) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is a beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner _____ and within the time prescribed issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in the records the name of the allottee as the beneficial owner of the security.</p> <p style="text-align: center;">Securities with Depositories to be in fungible form</p> <p>(iii) All securities held by a depository shall be dematerialized and be in fungible form.</p> <p style="text-align: center;">Nothing contained in sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities</p>

		<p>held by it on behalf of the beneficial owners.</p> <p><b>Rights of Depositories and Beneficial Owners</b></p> <p>(iv) (a) Notwithstanding anything to the contrary contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.</p> <p>(b) Save and otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>* Inserted vide special resolutions passed in the Extraordinary General Meeting held on February 12, 2018</p> <p>(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.</p> <p><b>Service of Documents</b></p> <p>(v) Notwithstanding anything contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p><b>Transfer of Securities</b></p> <p>(vi) Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.</p> <p><b>Allotment of Securities dealt within a Depository</b></p> <p>(vii) Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.</p> <p><b>Distinctive numbers of Securities held with a Depository</b></p> <p>(viii) Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.</p>
		<b>LIEN</b>
	9.	(i) The company shall have a first and paramount lien—
		(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
		(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company;
		Provided that the Board of directors may at any time declare any share to be wholly or in part

		exempt from the provisions of this clause.
	(ii)	The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10.		The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
		Provided that no sale shall be made—
	(a)	unless a sum in respect of which the lien exists is presently payable; or
	(b)	until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11.	(i)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
	(ii)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.
	(iii)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12.	(i)	The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
	(ii)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
<b>CALLS ON SHARES</b>		
13.	(i)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
		Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
	(ii)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
	(iii)	A call may be revoked or postponed at the discretion of the Board.
14.		A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15.		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16.	(i)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
	(ii)	The Board shall be at liberty to waive payment of any such interest wholly or in part.
17.	(i)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
	(ii)	In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18.		The Board—
	(a)	may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
	(b)	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

**TRANSFER OF SHARES**

19.	(i)	The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
	(ii)	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20.		The Board may, subject to the right of appeal conferred by Section 58 decline to register—
	(a)	the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
	(b)	any transfer of shares on which the company has a lien.
21.		The Board may decline to recognize any instrument of transfer unless—
	(a)	the instrument of transfer is in the form as prescribed in rules made under sub-Section (1) of Section 56;
	(b)	the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
	(c)	the instrument of transfer is in respect of only one class of shares.
22.		On giving not less than seven days' previous notice in accordance with Section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
		Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
<b>TRANSMISSION OF SHARES</b>		
23.	(i)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
	(ii)	Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24.	(i)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
	(a)	to be registered himself as holder of the share; or
	(b)	to make such transfer of the share as the deceased or insolvent member could have made.
	(ii)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25.	(i)	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
	(ii)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
	(iii)	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26.		A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
		Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
27.		In case of a One Person Company—
	(i)	on the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;
	(ii)	the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

	(iii)	such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;
	(iv)	on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.
<b>FORFEITURE OF SHARES</b>		
28.		If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
29.		The notice aforesaid shall—
	(a)	name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
	(b)	state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
30.		If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect.
31.	(i)	a forfeited share may be sold or otherwise disposed of on such terms and in such manner as the board thinks fit.
	(ii)	at any time before a sale or disposal as aforesaid, the board may cancel the forfeiture on such terms as it thinks fit.
32.	(i)	a person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
	(ii)	the liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
33.	(i)	a duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
	(ii)	the company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
	(iii)	the transferee shall thereupon be registered as the holder of the share; and
	(iv)	the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
34.		The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
<b>ALTERATION OF CAPITAL</b>		
35.		The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36.		Subject to the provisions of Section 61, the company may, by ordinary resolution,—
	(a)	Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
	(b)	convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

		(c)	sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
		(d)	cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
	37.	Where shares are converted into stock,—	
		(a)	the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
			Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
		(b)	the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
		(c)	such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
	38.	The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—	
		(a)	its share capital;
		(b)	any capital redemption reserve account; or
		(c)	any share premium account.
<b>CAPITALIZATION OF PROFITS</b>			
	39.	(i)	The company in general meeting may, upon the recommendation of the Board, resolve—
		(a)	that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
		(b)	that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
		(ii)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
		(A)	paying up any amounts for the time being unpaid on any shares held by such members respectively;
		(B)	paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
		(C)	partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
		(D)	A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
		(E)	The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
	40.	(i)	Whenever such a resolution as aforesaid shall have been passed, the Board shall—
		(a)	make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
		(b)	generally do all acts and things required to give effect thereto.
		(ii)	The Board shall have power—
		(a)	to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
		(b)	to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization,

		or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
	(iii)	Any agreement made under such authority shall be effective and binding on such members.
<b>BUY-BACK OF SHARES</b>		
41.		Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.
<b>GENERAL MEETINGS</b>		
42.		All general meetings other than annual general meeting shall be called extraordinary general meeting.
43.	(i)	The Board may, whenever it thinks fit, call an extraordinary general meeting.
	(ii)	If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
<b>PROCEEDINGS AT GENERAL MEETINGS</b>		
44.	(i)	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.
	(ii)	Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103.
45.		The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
46.		If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
47.		If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
48.		In case of a One Person Company—
	(i)	the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under Section 118;
	(ii)	such minutes book shall be signed and dated by the member;
	(iii)	the resolution shall become effective from the date of signing such minutes by the sole member.
<b>ADJOURNMENT OF MEETING</b>		
49.	(i)	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
	(ii)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
	(iii)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
	(iv)	Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
<b>VOTING RIGHTS</b>		
50.		Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
	(a)	on a show of hands, every member present in person shall have one vote; and
	(b)	on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51.		A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.
52.	(i)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

		(ii)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
	53.		A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
	54.		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
	55.		No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
	56.	(i)	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
		(ii)	Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### PROXY

	57.		The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
	58.		An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.
	59.		A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
			Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### BOARD OF DIRECTORS

	60.		Unless and until otherwise determined by the company in general meeting, the number of Directors shall not be less than three or more than 15. The first Directors of the Company shall be:
		<b>1.</b>	<b>R.Prakash</b>
		<b>2.</b>	<b>A.Omer Sheriff</b>
	61.	(i)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
		(ii)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
		(a)	in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
		(b)	in connection with the business of the company.
	62.		The Board may pay all expenses incurred in getting up and registering the company.
	63.		The company may exercise the powers conferred on it by Section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that Section) make and vary such regulations as it may think fit respecting the keeping of any such register.
	64.		All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
	65.		Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
	66.	(i)	Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

	(ii)	Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
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### PROCEEDINGS OF THE BOARD

67.	(i)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
	(ii)	A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
68.	(i)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
	(ii)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
69.		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
70.	(i)	The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
	(ii)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
71.	(i)	The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
	(ii)	Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
72.	(i)	A committee may elect a Chairperson of its meetings.
	(ii)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
73.	(i)	A committee may meet and adjourn as it thinks fit.
	(ii)	Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
74.		All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75.		Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
76.		In case of a One Person Company—
	(i)	where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under Section 118;
	(ii)	such minutes book shall be signed and dated by the director;
	(iii)	the resolution shall become effective from the date of signing such minutes by the director.

### CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

77.		Subject to the provisions of the Act,—
	(i)	A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and

			any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
		(ii)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
	78.		A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### THE SEAL

	79.	(i)	The Board shall provide for the safe custody of the seal.
		(ii)	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### DIVIDENDS AND RESERVE

	80.		The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
	81.		Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
	82.	(i)	The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
		(ii)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
	83.	(i)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
		(ii)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
		(iii)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
	84.		The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
	85.	(i)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
		(ii)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	86.		Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
	87.		Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
	88.		No dividend shall bear interest against the company.

#### ACCOUNTS

	89.	(i)	The Board shall from time to time determine whether and to what extent and at what times and
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		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.
	(ii)	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 authorized by the Board or by the company in general meeting.

**WINDING UP**

	90.	Subject to the provisions of Chapter XX of the Act and rules made there under—
	(i)	If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
	(ii)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
	(iii)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**INDEMNITY**

	91.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.
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## SECTION IX: OTHER INFORMATION

### LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before this Draft Red Herring Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of the Draft Red Herring Prospectus and have been delivered to the SME platform of NSE and may be inspected at the Registered Office of the Company situated 174, Developed Plots Industrial Estate, Perungudi, Chennai-600 096, from the date of filing the Draft Red Herring Prospectus with RoC to Issue Closing date on working days from 10.00 a.m. to 5.00 p.m.

#### **Material Contracts**

1. Memorandum of Understanding dated January 16, 2018 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated January 24, 2018 between our Company and Cameo Corporate Services Ltd, Registrar to the Issue.
3. Public Issue Agreement dated [Date], 2018 between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [Date], 2018 amongst our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [Date], 2018 between our Company and Underwriter.
6. Copy of tripartite agreement dated January 29, 2018 amongst NSDL, our Company and Cameo Corporate Services Limited.
7. Copy of tripartite agreement dated January 16, 2018 amongst CDSL, our Company and Cameo Corporate Services Limited.

#### **Material Documents**

1. Certificate of Incorporation of our Company dated January 27, 2009 issued by Registrar of Companies, Chennai.
2. Fresh Certificate of Incorporation dated November, 16, 2017 issued by Registrar of Companies, Chennai, Tamil Nadu pursuant to conversion into public limited Company.
3. Memorandum and Articles of Association of our Company as amended from time to time.
4. Copy of the Resolution passed at the meeting of the Board of Directors held on September 07, 2017 approving the Issue.
5. Copy of the Resolution passed by the Shareholders of our Company under section 62(1) (c) at the EGM held on November 01, 2017.
6. Consents of the Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory (Peer Reviewed) Auditor, Book Running Lead Manager to the Issue, Underwriter, Market Maker, Banker to the Company, Banker to the Issue, Registrar to the Issue and Legal Advisor to the Issue to include their names in this Draft Red Herring Prospectus to act in their respective capacities.

7. Copy of resolution passed on January 22, 2018 for terms of appointment of Mr. R. Prakash as Managing Director of the Company..
8. Copies of Annual Reports of our Company for the preceding financial years viz. 2012-13, 2013-14, 2014-2015, 2015-16 and 2016-17.
9. Audit report and restated financial information issued by Statutory Auditors (Peer review certified) M/s. Ramraj & Co, Chartered Accountants, dated January 22, , 2018 included in this Draft Red Herring Prospectus.
10. Letter dated January 31, 2018 from the statutory Auditors of our Company, M/s. Ramraj & Co, Chartered Accountants, detailing the special tax benefits.
11. Copy of certificate from the Statutory Auditor of our Company, M/s. Ramraj & Co, Chartered Accountants, dated January 31, 2018, 2018 regarding the sources and deployment of funds as on January 31, , 2018.
12. Due Diligence Certificate dated February 21, 2018 to be submitted to NSE and Due Diligence Certificate [Date], 2018 to be submitted to SEBI from Book Running Lead Manager viz. Mark Corporate Advisors Private Limited along with the filing of the Draft Red Herring Prospectus.
13. Copy of approval from NSE vide letter dated [Date], 2018 to use the name of NSE in this offer document for listing of Equity Shares on SME Platform of NSE.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, with reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

All the relevant provisions of the Companies Act, 1956, Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct and nothing in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and rules and the regulations made thereunder:

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY:**

<b>Mr. R Prakash</b> <b>Managing Director</b> DIN: 02401643	Sd/-
<b>Mr. A., Omer Sheriff</b> <b>Whole Time Director</b> DIN: 02487807	Sd/-
<b>Ms.Vimla Thomas</b> <b>Whole Time Director</b> DIN: 02778969	Sd/-
<b>Ms. Hemalatha Rajan</b> <b>Independent and Non- Executive Director</b> DIN: 00115674	Sd/-
<b>Ms. R Sneha</b> <b>Independent and Non- Executive Director</b> DIN: 08000608	Sd/-
<b>Mr. A. Hariharan</b> <b>Non-Executive Director</b> DIN: 05250860	Sd/-

**SIGNED BY COMPANY SECRETARY & COMPLIANCE OFFICER AND CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>G. Someswara Rao</b> <b>Company Secretary &amp; Compliance Officer</b>	Sd/-
<b>Ms. Lakshmi R</b> <b>Chief Financial Officer</b>	Sd/-

**Place** : Chennai  
**Date** : February 21, 2018