



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

Our Company was incorporated as Future Logistic Solutions Limited on March 8, 2006 at Mumbai, Maharashtra as a public limited company under the Companies Act, 1956 and received a certificate of commencement of business dated March 31, 2006. Subsequently, the name of our Company was changed to Future Supply Chain Solutions Limited and a fresh certificate of incorporation consequent to the change of name was issued by the RoC dated October 23, 2009. For details in relation to the change in the name, and the registered office of our Company, please see the section entitled "History and Certain Corporate Matters" on page 139.

Registered Office: Knowledge House, Shyam Nagar, Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060; **Tel:** +91 22 6644 2200; **Fax:** +91 22 6644 2201

Corporate Office: 7th Floor, 349 Business Point, Western Express Highway, Andheri (East), Mumbai 400 069

Contact Person: Vimal K. Dhruve, Company Secretary and Compliance Officer

E-mail: investorrelations@futuresupplychains.com; **Website:** www.futuresupplychains.com

Corporate Identity Number: U63030MH2006PLC160376

PROMOTER OF OUR COMPANY: FUTURE ENTERPRISES LIMITED

PUBLIC OFFER OF UP TO 9,784,570 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF FUTURE SUPPLY CHAIN SOLUTIONS LIMITED ("OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE OF UP TO 7,827,656 EQUITY SHARES BY GRIFFIN PARTNERS LIMITED (THE "INVESTOR SELLING SHAREHOLDER") AND UP TO 1,956,914 EQUITY SHARES BY OUR PROMOTER, FUTURE ENTERPRISES LIMITED (THE "PROMOTER SELLING SHAREHOLDER"), TOGETHER WITH THE INVESTOR SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"). THE OFFER WOULD CONSTITUTE UP TO 24.43% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE SELLING SHAREHOLDERS AND THE LEAD MANAGERS AND WILL BE ADVERTISED IN: (I) ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, FINANCIAL EXPRESS, (II) ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, JANSATTA, AND (III) THE MUMBAI EDITION OF THE MARATHI NEWSPAPER, NAVSHAKTI (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 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 Exchanges by issuing a press release, and also by indicating the change on the websites of the Lead Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

In terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), this is an Offer for such percentage of the post-Offer paid-up Equity Share capital of our Company that will be at least ₹ 4,000 million calculated at the Offer Price. The Offer is being made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), through the Book Building Process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company, in consultation with the Selling Shareholders and the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see the section entitled "Offer Procedure" on page 358.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer 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 Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company in consultation with the Selling Shareholders and the Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the section entitled "Basis for the Offer Price" on page 84) and 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 or sustained trading of the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in respect of the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), and SEBI does not guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section entitled "Risk Factors" on page 17.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms, that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this 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, or inclusion, of which makes this 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. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for, and confirms, only to the extent of the information in the statements specifically confirmed or undertaken by each Selling Shareholder and the Equity Shares offered by each Selling Shareholder in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 15, 2017 and September 21, 2017, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Maharashtra at Mumbai (the "RoC") in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, please see the section entitled "Material Contracts and Documents for Inspection" on page 422.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS

Edelweiss Financial Services Limited 14 th Floor, Edelweiss House Off CST Road, Kalina, Mumbai 400 098 Tel: +91 22 4009 4400; Fax: +91 22 4086 3610 E-mail: fsc.ipo@edelweissfin.com Investor Grievance E-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Kunal Malkan SEBI Registration No.: INM0000010650	CLSA India Private Limited 8/F Dalamal House Nariman Point, Mumbai 400 021 Tel: +91 22 6650 5050; Fax: +91 22 2284 0271 E-mail: fsc.ipo@citicclsa.com Investor Grievance E-mail: investor.helpdesk@clsa.com Website: www.india.clsa.com Contact Persons: Ankur Garg and Sarfaraz Agboatwala SEBI Registration No.: INM000010619	Nomura Financial Advisory & Securities (India) Private Limited Ceejay House, Level 11, Plot F Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018 Tel: +91 22 4037 4037; Fax: +91 22 4037 4111 E-mail: fscipo@nomura.com Investor Grievance E-mail: investorgrievances-in@nomura.com Website: www.nomuraholdings.com/company/group/asia/india/index.html Contact Persons: Srishti Tyagi and Manish Agarwal SEBI Registration No.: INM000011419

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

IDFC Bank Limited Naman Chambers, C-32, G Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Tel: +91 22 6622 2600; Fax: +91 22 6622 2501 E-mail: fsc.ipo@idfcbank.com Investor Grievance E-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Akshay Bhandari SEBI Registration No.: MB/INM000012250	IIFL Holdings Limited⁽¹⁾ 10 th Floor, IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 Tel: +91 22 4646 4600; Fax: +91 22 2493 1073 E-mail: fsc.ipo@iiflcap.com Investor Grievance E-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Persons: Pinkesh Soni and Anant Gupta SEBI Registration No.: INM000010940	YES Securities (India) Limited IFC, Tower 1&2, Unit No. 602 A, 6 th Floor Senapati Bapat Marg, Elphinstone (West) Mumbai 400 013 Tel: +91 22 7100 9829; Fax: +91 22 2421 4508 E-mail: fsc.ipo@yesscuritiesltd.in Investor Grievance E-mail: igc@yesscuritiesltd.in Website: www.yesinvest.in Contact Person: Mukesh Garg SEBI Registration No.: INM000012227	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083 Tel: +91 22 4918 6200; Fax: +91 22 4918 6195 E-mail: futuresupply.ipo@linkintime.co.in Investor Grievance e-mail: futuresupply.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/ OFFER PROGRAMME

BID/OFFER OPENS ON: December 6, 2017⁽²⁾

BID/ OFFER CLOSES ON: December 8, 2017

- (1) In compliance with the proviso to Regulation 21A(1) of the SEBI Merchant Bankers Regulations, read with the proviso to Regulation 5(3) of the SEBI ICDR Regulations, IIFL Holdings Limited will be involved only in marketing of the Offer.
- (2) The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date, being, December 5, 2017

TABLE OF CONTENTS

SECTION I: GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	13
NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES	15
FORWARD-LOOKING STATEMENTS	16
SECTION II: RISK FACTORS	17
SECTION III: INTRODUCTION	46
SUMMARY OF INDUSTRY	46
SUMMARY OF OUR BUSINESS	49
SUMMARY OF FINANCIAL INFORMATION	51
THE OFFER	58
GENERAL INFORMATION	59
CAPITAL STRUCTURE	69
OBJECTS OF THE OFFER	82
BASIS FOR THE OFFER PRICE	84
STATEMENT OF TAX BENEFITS	87
SECTION IV: ABOUT OUR COMPANY	89
INDUSTRY OVERVIEW	89
OUR BUSINESS	119
REGULATIONS AND POLICIES	135
HISTORY AND CERTAIN CORPORATE MATTERS	139
OUR MANAGEMENT	146
OUR PROMOTER AND PROMOTER GROUP	162
OUR GROUP COMPANIES	168
DIVIDEND POLICY	180
RELATED PARTY TRANSACTIONS	181
SECTION V: FINANCIAL INFORMATION	182
FINANCIAL STATEMENTS	182
CAPITALISATION STATEMENT	285
FINANCIAL INDEBTEDNESS	286
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	289
SECTION VI: LEGAL AND OTHER INFORMATION	309
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	309
GOVERNMENT AND OTHER APPROVALS	325
OTHER REGULATORY AND STATUTORY DISCLOSURES	327
SECTION VII: OFFER INFORMATION	351
TERMS OF THE OFFER	351
OFFER STRUCTURE	356
OFFER PROCEDURE	358
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	402
SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	403
SECTION IX: OTHER INFORMATION	422
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	422
DECLARATION	424

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the sections entitled “Statement of Tax Benefits”, “Financial Statements”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” on pages 87, 182, 309 and 403, respectively, shall have the meanings ascribed to such terms in these respective sections.

General Terms

Term	Description
“our Company” or the “Company”	Future Supply Chain Solutions Limited, a public limited company incorporated under the Companies Act, 1956
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company
Associate or “our Associate” or Leanbox	Leanbox Logistics Solutions Private Limited

Company and Selling Shareholders Related Terms

Term	Description
Apollo	Apollo Design Apparel Parks Limited
Articles of Association or AoA	Articles of Association of our Company
Audit Committee	The audit committee of the Board described in the section entitled “Our Management” on page 146
Auditors	The statutory auditors of our Company, being NGS & Co. LLP
Board or Board of Directors	Board of Directors of our Company including a duly constituted committee thereof
CCDs	Compulsorily convertible debentures issued by our Company
Committee of Directors	The committee of directors of the Board described in the section entitled “Our Management” on page 146
Corporate Office	Corporate office of our Company situated at 7 th Floor, 349 Business Point, Western Express Highway, Andheri (East), Mumbai 400 069
Corporate Social Responsibility Committee	The corporate social responsibility committee of the Board described in the section entitled “Our Management” on page 146
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each
ESOP 2017	Future Supply Chain Solutions Limited – Employee Stock Option Plan 2017
FCL	Future Consumer Limited
FECIL	Future E-Commerce Infrastructure Limited
FEL or our Promoter	Future Enterprises Limited
Future Entities	Future Retail Limited, Future Consumer Limited, and Future Lifestyle Fashions Limited, promoted by Kishore Biyani
FGILICL	Future Generali India Life Insurance Company Limited
FIL	Futurebazaar India Limited
FLFL	Future Lifestyle Fashions Limited

Term	Description
FMIL	Future Media (India) Limited
FRL	Future Retail Limited
Group Companies	Companies which are covered under the applicable accounting standards and also other companies as considered material by the Board, as identified in the section entitled “ <i>Our Group Companies</i> ” on page 168
Griffin or Investor Selling Shareholder	Griffin Partners Limited, a company incorporated in the Republic of Mauritius
GTI	GTI Capital Gamma Pvt. Ltd., a company incorporated in Republic of Mauritius
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in the section entitled “ <i>Our Management</i> ” on page 146
Memorandum of Association or MoA	Memorandum of association of our Company
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board described in the section entitled “ <i>Our Management</i> ” on page 146
Promoter Group	Persons and entities constituting the promoter group of our Company. For details of our Promoter Group, please see the section entitled “ <i>Our Promoter and Promoter Group</i> ” on page 162
Promoter Selling Shareholder	FEL
Registered Office	Registered office of our Company situated at Knowledge House, Shyam Nagar, Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060
Registrar of Companies or RoC	Registrar of Companies, Maharashtra at Mumbai situated at 100 Everest, Marine Drive, Mumbai 400 002
Restated Financial Statements	The audited and restated financial statements of our Company for the Financial Years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017, and the six months ended September 30, 2017 which comprises the restated balance sheet, the restated statement of profit and loss and the restated cash flow statement, together with the annexures and notes thereto and the examination report thereon, as prepared and presented in accordance with Ind AS or Indian GAAP, as applicable, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI.
Selling Shareholders	Investor Selling Shareholder and Promoter Selling Shareholder
Shareholders	Shareholders of our Company who hold Equity Shares from time to time
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of the Board described in the section entitled “ <i>Our Management</i> ” on page 146
Suhani Trading and Investments Consultants	Suhani Trading and Investments Consultants Private Limited (pursuant to a scheme of amalgamation of Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Private Limited, ESES Commercials Private Limited, Gargi Business Ventures Private Limited and Weavette Business Ventures Limited with Suhani Trading and Investment Consultants Private Limited, the above entities, including Future Corporate Resources Limited, are now known as Suhani Trading and Investments Consultants Private Limited)
WSL	Work Store Limited

Offer 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 cum Application Form
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be, of the Equity Shares pursuant to the Offer to the successful Bidders

Term	Description
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of atleast ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the Selling Shareholders and the Lead Managers
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	<p>The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price.</p> <p>The Anchor Investor Offer Price will be decided by our Company, in consultation with the Selling Shareholders and the Lead Managers</p>
Anchor Investor Portion	<p>Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Selling Shareholders and the Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.</p> <p>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price</p>
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Banker to the Offer	Escrow Collection Bank, Public Offer Bank and Refund Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer. For further details, please see the section entitled “Offer Procedure” on page 358
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.

Term	Description
	The term “Bidding” shall be construed accordingly
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being December 8, 2017
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being December 6, 2017
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e. Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer namely, IDFC Bank, IIFL and YES Securities
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the Stock Exchanges
Cash Escrow Agreement	The cash escrow agreement dated November 23, 2017 entered into between our Company, the Selling Shareholders, the Lead Managers, the Registrar to the Offer, the Escrow Collection Bank and the Syndicate Members for, <i>inter alia</i> , collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
CLSA	CLSA India Private Limited
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Confirmation of Allocation Note or CAN	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/Offer Period
Cut-off Price	The Offer Price finalised by our Company in consultation with the Selling Shareholders and the Lead Managers.

Term	Description
	Only Retail Individual Bidders (subject to the Bid Amount being up to ₹200,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father or husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries , 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 ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated August 23, 2017 and the notice to investors dated November 9, 2017, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited
Eligible NRI	NRI eligible to invest under Schedule 3 and Schedule 4 of the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitute an invitation to purchase the Equity Shares
Escrow Account	'No-lien' and 'non-interest bearing' account opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	A bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being Yes Bank Limited
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted

Term	Description
General Information Document/GID	The General Information Document for investing in public issues, prepared and issued in accordance with SEBI circular number CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI. For further details, please see the section entitled “ <i>Offer Procedure</i> ” on page 358
Global Co-ordinators and Book Running Lead Managers or GCBRLMs	The global co-ordinators and book running lead managers to the Offer namely, Edelweiss, CLSA and Nomura
IDFC Bank	IDFC Bank Limited
IIFL	IIFL Holdings Limited
Lead Managers	The GCBRLMs and BRLMs to the Offer
Offer	The initial public offer of up to 9,784,570 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share), aggregating up to ₹[●] million
Offer Agreement	The agreement dated August 23, 2017 entered into between our Company, the Selling Shareholders and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	<p>The final price at which Equity Shares will be Allotted in terms of this Red Herring Prospectus.</p> <p>The Offer Price will be decided by our Company in consultation with the Selling Shareholders and the Lead Managers on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus</p>
Offer Proceeds	<p>The proceeds of the Offer that will be available to the Selling Shareholders.</p> <p>For further details on use of Offer Proceeds, please see the section entitled “<i>Objects of the Offer</i>” on page 82</p>
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the Net QIB Portion or 97,846 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Nomura	Nomura Financial Advisory & Securities (India) Private Limited
Non-Institutional Bidders / NIIs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer comprising 1,467,686 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
Price Band	<p>The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including revisions thereof.</p> <p>The Price Band and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the Selling Shareholders and the Lead Managers and will be advertised at least five Working Days prior to the Bid/Offer Opening</p>

Term	Description
	Date, in all editions of the English national newspaper, Financial Express, all edition of the Hindi national newspaper, Jansatta and the Mumbai edition of the Marathi newspaper, Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company in consultation with the Selling Shareholders and the Lead Managers, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	‘No-lien’ and ‘non-interest bearing’ account opened, in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Bank	The bank with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being Yes Bank Limited
QIB Portion	<p>The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer comprising 4,892,284 Equity Shares which shall be allocated to QIBs (including Anchor Investors).</p> <p>Our Company, in consultation with the Selling Shareholders and the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to valid Bids being received at or above the Offer Price.</p>
QIBs / QIB Bidders / Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	<p>This Red Herring Prospectus dated November 27, 2017 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.</p> <p>This Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date</p>
Refund Account(s)	‘No-lien’ and ‘non-interest bearing’ account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank	Yes Bank Limited
Registered Brokers	The stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar to the Offer or Registrar	Link Intime India Private Limited
Registrar Agreement	The agreement dated August 23, 2017, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Resident Indian individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs

Term	Description
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising 3,424,600 Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	<p>The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).</p> <p>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.</p>
RTAs / Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, Link Intime India Private Limited
Share Escrow Agreement	The share escrow agreement dated November 20, 2017 entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat accounts of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept ASBA Forms from ASBA Bidders
Syndicate / Members of the Syndicate	The Lead Managers and the Syndicate Members
Syndicate Agreement	The syndicate agreement dated November 23, 2017 entered into between our Company, the Selling Shareholders, the Members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Edelweiss Securities Limited, India Infoline Limited, IDFC Securities Limited and Sharekhan Limited
Underwriters	Lead Managers and Syndicate Members
Underwriting Agreement	The underwriting agreement to be entered into between our Company, the Selling Shareholders, the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes any company whose director or promoter is categorised as such
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; (b) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges. "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Term	Description
YES Securities	YES Securities (India) Limited

Technical/Industry Related Terms/Abbreviations

Term	Description
A&M	Alvarez & Marsal India Private Limited
A&M Report	Report entitled “ <i>Future of Organised Logistics in India – Contract, Express and Cold Chain</i> ” dated August 14, 2017 prepared by Alvarez & Marsal India Private Limited
ARS	Auto Replenishment System
Competition Act	Competition Act, 2002
CPC	Code of Civil Procedure, 1908
ECL	Expected credit loss
FICL	Future Ideas Company Limited
FMCG	Fast-moving consumer goods
Future Trademarks	“Future Group – India Tomorrow” and “Future Group” and the associated logos
IFDC	Integrated Food Distribution Centre
Licence Agreement	Master Licence Agreement, dated October 1, 2016 between FICL and our Company
MIHAN	Multi-modal International Hub Airport at Nagpur
PDA	Pick-up and delivery associate
PTL sortation system	“Dynamic Put-to-Light” sortation system
STT	Securities Transaction Tax
Third Party Logistics	Third Party Logistics in logistics and supply chain management is a company’s use of third-party businesses to outsource elements of its distribution and fulfilment services. Third Party Logistics providers typically specialize in integrated operation, warehousing and transportation services which can be scaled and customized to customer’s need, based on market conditions, such as demand and delivery service requirements for the customer’s products and materials
TMS	Transportation Management System
VNA trucks	Very-Narrow Aisle trucks
VRMP	Vendor Relationship Management Portal
VTs	Vehicle tracking system
WMS	Warehouse management system

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS/Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
Category I AIF	AIFs which are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs which are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs which are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs which are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations

Term	Description
Category II FPIs	FPIs which are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III FPIs	FPIs which are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the sections, along with the relevant rules made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, effective from August 28, 2017
CII	Confederation of Indian Industry
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
DP/Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal/ Fiscal Year/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
Gazette	Gazette of India
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer

Term	Description
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
NACH	National Automated Clearing House
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881
NR	Non-Resident
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
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 and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real Time Gross Settlement
SCALE Awards	The Supply Chain and Logistics Excellence Awards, instituted by the CII (Institute of Logistics)
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR 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 Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act, 1933
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Stamp Act	The Indian Stamp Act, 1899
State Government	The government of a state in India

Term	Description
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(zla) as a non-banking financial company registered with the RBI and having a net-worth of more than ₹ 5000 million as per the last audited financial statements
TAN	Tax deduction account number
U.S./USA/United States	United States of America
U.S. QIBs	“Qualified institutional buyers” as defined in Rule 144A under the Securities Act
USD/US\$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Red Herring Prospectus are to the Republic of India.

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

Financial Data

Unless stated otherwise, the financial information and financial ratios in this Red Herring Prospectus have been derived from our Restated Financial Statements. Certain other financial information pertaining to our Group Companies is derived from their respective financial statements. For further information, please see the section entitled “*Financial Information*” on page 182 of this Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year.

The audited and restated financial statements as at and for the six months ended September 30, 2017, Fiscals 2017, 2016 and 2015 are prepared and presented in accordance with Ind AS, the Companies Act, 2013, the SEBI ICDR Regulations and the guidance notes issued by ICAI. The audited and restated financial statements as at and for Fiscals 2014 and 2013 are prepared and presented in accordance with Indian GAAP, the Companies Act, 2013, the SEBI ICDR Regulations and the guidance notes issued by ICAI. As required under applicable law, our Company transitioned from Indian GAAP to Ind AS and for the purposes of the transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First Time Adoption of Indian Accounting Standards with April 1, 2015 being the transition date. For details on the differences between Indian GAAP and Ind AS, and the risks associated with the same, please see the section entitled “*Risk Factors – Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows*” on page 40.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, relating to the financial information of our Company in the sections entitled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditional and Results of Operations*” on pages 17, 119 and 422, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Red Herring Prospectus in “million” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to one decimal place.

Exchange Rates

This Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

The following table provides, for the periods indicated, information with respect to the exchange rate between the Rupee and the US\$ (in Rupees per US\$):

(Amount in ₹, unless otherwise specified)

Currency	As on September 30, 2017	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
1 US\$	65.36***	64.84	66.33	62.59	60.09*	54.39**

Source: RBI Reference Rate

* Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

** Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.

*** Exchange rate as on September 29, 2017, as RBI reference rate is not available for September 30, 2017, being a Saturday.

Land and Units of Presentation

Our Company has presented units of land in this Red Herring Prospectus in ‘square meters’ and ‘square feet’.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report entitled “*Future of Organised Logistics in India – Contract, Express and Cold Chain*” dated August 14, 2017 prepared by Alvarez & Marsal India Private Limited (the “**A&M Report**”) and publicly available information as well as other industry publications and sources. The A&M Report has been prepared at the request of our Company.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. We believe the industry and market data used in this Red Herring Prospectus is reliable, however, it has not been independently verified by our Company, the Selling Shareholders or the Lead Managers or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. For details in relation to the risks involving the A&M Report, please see the section entitled “*Risk Factors – Certain sections of this Red Herring Prospectus disclose information from an industry report commissioned by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*” on page 37.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, the section entitled “*Basis for the Offer Price*” on page 84 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Lead Managers have independently verified such information.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as “U.S. QIBs”). For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area (“**EEA**”), from the requirement to produce a prospectus for offers of Equity Shares. The expression “Prospectus Directive” means Directive 2003/71/EC of the European Parliament and Council EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State (as defined below)) and includes any relevant implementing measure in each Member State that has implemented the Prospectus Directive (each a “**Relevant Member State**”). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the Lead Managers to produce a prospectus for such offer. None of our Company and the Lead Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Lead Managers which constitute the final placement of Equity Shares contemplated in this Red Herring Prospectus.

FORWARD-LOOKING STATEMENTS

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

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- dependency on our key customers including our Promoter and certain Group Companies;
- prevailing economic conditions in India and consumer spending capacity;
- competition from international and domestic third-party logistics companies;
- dependency on machinery and equipment;
- dependency on technology and automation; and
- changes in the legal, regulatory, economic and political environment in India.

For further discussion on factors that could cause actual results to differ from expectations, please see the section entitled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 17, 119 and 289, respectively. 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 gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the Lead Managers 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 the SEBI ICDR Regulations, our Company and the Lead Managers will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Red Herring Prospectus, including the risks and uncertainties described below and the Restated Financial Statements incorporated in this Red Herring Prospectus, before making an investment in the Equity Shares. Bidders should pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, Bidders must rely on their own examination of our Company and the terms of the Offer, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

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. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

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

Unless otherwise indicated, all financial information included herein are based on our Restated Financial Statements. Please see the section entitled “Financial Statements” on page 182.

Risks Related to Our Business

- 1. The Future Entities are our key customers and our Promoter and certain of our Group Companies account for a significant portion of our revenue. Any failure to maintain our relationship with these customers will have a material adverse effect on our financial performance and results of operations.***

The Future Entities are our key customers. Our revenue from our Promoter and certain of our Group Companies was ₹2,490.00 million, ₹3,504.69 million, ₹2,573.90 million and ₹1,895.15 million for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively, which accounted for 69.7%, 62.5%, 49.5% and 46.5% of our revenue from operations for such periods. We are dependent on the Future Entities and expect them to continue to be our key customers. Any failure by us to maintain, or a deterioration of, our relationship with the Future Entities will have a material adverse effect on our financial performance and our results of operations. If our relationship with the Future Entities deteriorates, or is otherwise reduced, we could face the risk of having excess capacity in our Nagpur distribution centres, which primarily cater to services provided to the Future Entities, which we may not be able to easily substitute for other customers or at all, and we may not be able to recover our investment in the cross-belt sorter system.

Further, we are also reliant on the various sectors in which the Future Entities operate. If any of those sectors suffer a downturn, for any reason, our results of operations and our financial performance could be adversely affected. In addition, if the reputation of any of the Future Entities is significantly impaired, it could also adversely affect our reputation, business, results of operations and financial performance.

- 2. Our business is affected by prevailing economic conditions in India and indirectly affected by changes in consumer spending capacity in the sectors we serve within India.***

Our business is dependent on overall economic conditions in India and any slowdown or other disruption in the production of goods in India or the Indian economy may negatively affect our business in a number of ways, including our financial condition and results of operations. Please see the risk factor entitled “Risk Factors - Financial instability

in other countries may cause increased volatility in Indian financial markets” on page 39.”

We are also dependent on the economic conditions of the various sectors we serve. We cater to customers in a wide variety of sectors, including retail, fashion and apparel, automotive and engineering, food and beverage, FMCG, e-commerce, healthcare, electronics and technology, home and furniture and ATMs. Any disruptions or slowdowns in these sectors could negatively affect the logistics spending of our customers. Further, any slowdown in consumer spending capacity in India may negatively affect our financial condition and results of operations, since our operations and financial condition are closely linked to the production and consumption of consumer goods in India. Some of our customers are not suppliers of necessity goods, and, consequently, their goods are subject to high price elasticity, and unfavourable economic conditions may result in a reduction of demand for their goods. A fall in the purchasing power of retail and other end consumers, for any reason whatsoever, including rising consumer inflation, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers’ revenues, production levels and profitability, and could in turn negatively affect their demand for our services or the terms on which we provide our services to them. For instance, on November 8, 2016, the Reserve Bank of India and the Ministry of Finance of the Government of India withdrew the legal tender status of ₹500 and ₹1,000 currency notes. Despite ₹500 and ₹2,000 notes being introduced since such demonetisation on November 8, 2016, the short-term effect of these developments has been, among other things, a decrease in liquidity of cash in India, which has in turn negatively affected consumer spending.

3. *We may face competition from a number of international and domestic third-party logistics companies, which may adversely affect our market position and business.*

While the logistics industry in India is generally fragmented, we may face competition from a number of international and domestic third-party logistics service providers, especially as the trend toward larger-scale logistics providers in India continues. Some of our competitors may have significantly greater financial and marketing resources and operate larger networks than we do. In the regions of India in which we operate, we face competition from certain regional logistics services providers and the unorganised sector, some of which have market presence in their respective areas of operation. We may also face competition from new entrants into the logistics service industry. If we cannot maintain, or gain, sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete effectively. Further, if we cannot maintain cost competitiveness within the third-party logistics industry, including, in the event we choose to expand and incur excessive fixed costs or if we experience a disproportionate increase in costs in comparison to our competitors, our customers could choose to service their third-party logistics needs with our competitors rather than us.

Our ability to compete effectively may be constrained by the following factors:

- loss of key members of our management and experienced employees (in particular those from our sales force who have established relationships with our key customers and those who have deep sector expertise that we leverage to provide effective solutions for our customers) to our competitors;
- deployment of more advanced technology platforms by our competitors;
- alliances entered into by our competitors with other logistics services providers, increasing their distribution network or resources and technologies that may not be available to us;
- lower cost base of domestic and regional competitors than ours, increasing their cost competitiveness;
- the deployment by our competitors of a more robust fleet of transportation vehicles;
- difficulties entering new sectors that may be dominated by competitors;
- our competitors having a wider domestic and global network of warehouses and delivery centres; and
- existing or new competitors pricing their services with significant discounts.

In addition, increased competition may reduce the growth of our customer base and result in higher selling and promotional expenses. If we are unable to compete effectively with our competitors, we may experience a decline in our revenues and profitability and our business, financial condition and results of operations could be materially and adversely affected.

4. *Delays or defaults in payment by our customers could affect our cash flows and may adversely affect our financial condition and operations.*

We extend credit to certain of our customers for long periods of time and there is no assurance that we will be able to recover outstanding amounts in part, full or at all. We have and may continue to have high levels of outstanding receivables. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our trade receivables were ₹2,501.74 million, ₹2,167.07 million, ₹2,211.21 million and ₹1,819.14 million, respectively. Our trade receivables accounted for 38.6%, 42.5% and 44.6% of our revenue from operations for Fiscals 2017, 2016 and 2015, respectively. Further, for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our average outstanding receivable days were 128 days, 141 days, 155 days and 163 days, respectively, while our average outstanding payment days to our vendors for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 were comparatively shorter at 82 days, 95 days, 117 days and 114 days, respectively. Hence, if delays or defaults in client payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

5. *An inability to pass on any increase in operating expenses to our customers may adversely affect our business and results of operations.*

Rental expenses for leased space, power and fuel costs (which principally includes electricity and fuel consumed by our warehousing operations), hire charges and transportation expenses (which principally includes the leasing costs of our leased vehicles, the cost of fuel consumed by our reefer trucks and lease expenses for our equipment), labour expenses, employee expenses and security expenses represent some of our most significant operating costs and an increase in such costs or inability to pass on such increased costs to our customers will adversely affect our results of operations. For Fiscal 2017, warehousing costs and transportation expenses represented 18.6% and 35.4%, respectively of our revenue from operations for the Fiscal. Furthermore, increases in the costs of our vendors may increase our costs of securing services from our vendors such as transportation and contract labour services as well as costs of equipment from our vendors, which will also adversely affect our results of operations to the extent we cannot pass these increases on to our customers.

The cost of fuel has increased in recent years and fluctuates significantly due to various factors beyond our control, including, international prices of crude oil and petroleum products, global and regional demand and supply conditions, geopolitical uncertainties, import cost of crude oil, government policies and regulations and availability of alternative fuels. In addition, the Government of India deregulated diesel prices in India removing certain subsidies on diesel prices, and the price of diesel and consequently our fuel cost, have fluctuated significantly in recent periods.

Further, rental costs for our leased facilities and pricing for our leased vehicles are subject to potential increases. We cannot assure you that we will be able to renew our leased facilities on favourable terms or continue to lease our vehicles at favourable prices. For further details, please see the section entitled “*Risks Related to Our Business – All of our facilities and most of our vehicles used for transportation of goods are leased pursuant to long-term leases or lease and licence agreements, which we may be unable to renew on satisfactory terms or which may limit our flexibility to seek new rental agreements or terms.*” on page 23.

Although historically we have generally been able to pass on an increase in operating costs to our customers through an increase in our prices, there can be no assurance that we will be able to pass on any such increase in the future to our customers, either wholly or in part, and our profitability and results of operations may be adversely affected.

6. *We are heavily dependent on machinery and equipment for our operations. Any breakdown of our machinery or equipment will have a significant adverse effect on our business, reputation, financial results and growth prospects.*

Our third-party logistics offerings are heavily dependent on machinery and equipment, including air conditioners, refrigeration infrastructure, data loggers, sorters and conveyors, vehicles and material handling equipment, including reach trucks, forklifts, very narrow aisle trucks and battery-operated pallet trucks. In particular, our reefer trucks and other refrigeration equipment are critical to our temperature-controlled logistics operations, and any failure or breakdown of such trucks or equipment could significantly affect our operations in that business. Any significant malfunction or breakdown of our machinery or equipment may entail significant repair and maintenance costs and cause delays in our operations. Further, if we are unable to repair the malfunctioning machinery or equipment, our operations may need to be suspended until we procure machinery or equipment to replace the same. Any malfunction or breakdown of our machinery or equipment may also cause the quality of products stored with us to be affected, including perishable products in our temperature-controlled logistics operations. Consequently, we may be liable for breach of our contractual obligations with our customers and this could result in significant losses due to damage to our customers' products. Any breach of our obligations may result in termination of our contracts with our customers, which could have an adverse effect on our business, reputation and financial results. Further, we may also be open to public liability from the end consumer for defects in the quality of perishable products we store and transport. Accordingly, any breakdown of our machinery or equipment may have a significant effect on our business, reputation, financial results and growth.

7. *Our business is highly dependent on technology and automation and any disruptions of or failure to update such technology or automation could have an adverse effect on our results and operations.*

We use technology and automation processes throughout our logistics offerings to enable efficient and cost-effective operational management to better serve our customers' supply chain needs. For further details, please see the section entitled "*Our Business—Technology and Automation*" on page 131.

Some of our recent technology and automation implementation may not result in the expected efficiencies and benefits we anticipate, which could adversely affect our operations and financial condition. For instance, our cross-belt sorter system in our MIHAN distribution centre may not deliver the expected levels of throughput and efficiency we currently expect, which could adversely affect our operations out of that distribution centre and prevent us from recovering our investment in the system. Further, technology is susceptible to outages and technical vulnerabilities, which may result in us incurring additional expenses from time to time. The technology implemented by us is developed by third-party vendors, on whom we rely for the maintenance of our technology, which may result in us incurring additional costs in carrying out such maintenance from time to time. While our maintenance costs typically account for a small portion of our expenses, we may experience significant costs in the event that large-scale maintenance of our technology is required.

Our day-to-day operations are heavily dependent on our technology systems; however, we have not implemented disaster recovery systems, which could lead to adverse consequences in the event of disasters affecting our business.

We are also subject to hacking or other breaches of our IT systems. Although we have anti-virus and anti-hacking measures in place, we cannot assure you that we can successfully block and prevent all hacking or other breaches. As a result, failure to meet our customers' technological demands or to protect against technological disruptions of our operations or operations of our customers could materially and adversely affect our business, financial condition and results of operations.

Further, some of our existing technologies and automation processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and automation processes in the future. Our ability to maintain effective technology and automation depends, in part, upon our ability to make timely and cost-effective enhancements and additions to the technology and automation underpinning our operational platform and in part on our ability to introduce new technological and automation offerings and services that meet customer demands. We cannot assure you that we will be able to successfully keep up with technological and automation improvements in order to meet our customers' needs, or that the technology and automation developed by others will not render our services less competitive or less attractive. Further, the cost of implementing new technology or automation can be

high and we may not be able to recover such costs if the expected efficiencies realised from such technology or automation is not as anticipated or realised at all. In addition, any hardware or software failure relating to our technology could significantly disrupt customer workflows and cause economic losses for which we could be held liable and which could damage our reputation.

8. *Changing regulations in India could lead to new compliance requirements that are uncertain.*

The regulatory environment in which we, and our key customers, operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect the logistics industry or the sectors we serve, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of the supply of goods and services for all of India, which we believe will result in fundamental changes to India's third-party logistics industry. However, given the recent introduction of GST in India, there is no established practice regarding the implementation of, and compliance with, GST. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licences from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

9. *The trend toward outsourcing of supply chain management activities, throughout India or within specific sectors, may change, thereby reducing demand for our services.*

Our growth strategy is based on the assumption that the trend of outsourcing of supply chain management and other logistics services will continue, or rise, in the future to a certain extent. Third-party logistics service providers, such as us, are generally able to conduct supply chain management and other logistics services more efficiently than comparable in-house operations run by customers primarily as a result of expertise, implementation and adoption of technology, efficient management of operations and lower and more flexible employee cost structures. However, many factors could cause a reversal of this trend. For example, our customers may consider the risks in relying on third-party service providers, or they may begin to define these activities as within their own core competencies and decide to perform supply chain and other logistics operations themselves. Our customers may be able to improve the cost structure or invest in technologies for their in-house supply chain and logistics activities, including in particular their labour-related costs, and accordingly, our customers may not outsource their supply chain needs, which could have a material and adverse effect on our business. In addition, some of our multinational customers may change and have, in the past, changed, their third-party logistics provider due to decisions made by management to use a common logistics provider globally. Furthermore, when a customer ceases to outsource portions of its logistics operations to us, the customer may find it less compelling or unattractive to engage us for remaining logistics services, as a result of which some or all of our business with such customer may be adversely affected.

In addition, we make investments in storage space on the assumption of continued outsourcing of our customers' logistics needs and a reversal in that trend could result in excess storage space in our distribution centres, which could also result in higher rental costs as a percentage of revenue from operations. Furthermore, if our customers change their logistics strategy by focusing on a new geographic region, this could result in us having excess storage space that becomes unused.

10. *Conditions and restrictions imposed on us by the agreements entered into with some of our customers could adversely affect our business and results of operations.*

Certain of our agreements with our customers impose conditions and restrictions on our operations including in

relation to an alteration in our memorandum of association and articles of association, a change in our management and any change in control of our Company (“**Restricted Activities**”). We cannot assure you that we will obtain approvals to undertake any of these Restricted Activities, as and when required, or comply with such covenants or other covenants in the future. As of the date of this Red Herring Prospectus, we do not have consent from two of our customers for these Restricted Activities. Accordingly, we cannot assure you that such customers may continue to remain our customers or terminate the agreements for undertaking these Restricted Activities. Such termination could adversely affect our business and results of operations.

A majority of our customer contracts typically have a tenure ranging from one to three years. Further, some of our contracts may be terminated by our clients with or without cause, by giving short notice and without compensation, which may adversely affect our business. Further, in the event we are unable to renew our agreements within the prescribed period, or at all, this may materially affect our business and operations.

11. *The performance of our express logistics and temperature-controlled businesses may continue to decline.*

Our revenue from our express logistics services declined by 9.7% from ₹1,556.33 million in Fiscal 2015 to ₹1,405.00 million in Fiscal 2016, and further declined by 10.1% from ₹1,405.00 million in Fiscal 2016 to ₹1,263.00 million in Fiscal 2017. Although the decline in our revenue from our express logistics services has been due to our focus on optimising our customer base to focus on providing high-margin services, we may not be able to increase our revenues from our express logistics services in the level we expect, or at all.

Further, our temperature-controlled logistics operations had a negative ₹9.70 million of gross profit in Fiscal 2017. Although we only commenced our temperature-controlled logistics operations in Fiscal 2016 and we are continuing to develop the business, there is no assurance that we will be able to improve the performance of this business to the extent we expect, or at all.

12. *A large portion of our contract logistics operations is conducted through our distribution centres in Nagpur and any damage or disruption of these distribution centres could have an effect on our business and results of operations.*

A large portion of our contract logistics operations is handled through our distribution centres in Nagpur. Hence, any fires, natural disasters (such as flooding and earthquakes), acts of war, terrorist attacks, strikes and other events, many of which are beyond our control, that destroy, damage or otherwise adversely affect our Nagpur distribution centres or the products stored in such distribution centres could have a material and adverse effect on our business, financial condition and results of operations. Although our Nagpur distribution centres are covered by insurance with respect to such events that are beyond our control, we may not be able to recover any part or all of our business disruption losses that could arise from any disruption of such distribution centres.

13. *Dependence on third-party vendors could have an adverse effect on our business financial condition and results of operations.*

Our ability to service our customers depends on the availability and costs of leased storage space, vehicles used for transport, equipment and adequate work force of independent contractors for operations. Apart from the reefer trucks used in our temperature-controlled business, we do not typically own the vehicles or distribution centres used in our business. Instead, we lease our distribution centres, equipment and vehicles from third-party vendors. Further, we often engage independent contractors for our skilled and unskilled labour needs and, in the event that such contractors are not available, this may have a material and adverse effect on our operations.

We cannot assure you that we will be able to obtain access to preferred third-party vendors for our leased space, equipment, vehicles or independent contractors, or at attractive rates or that these vendors will have adequate available capacity to meet our needs or be able to meet our requirements in a timely manner. Further, if we are unable to procure the services of third-party vendors capable of sufficiently scaling up operations in response to increased demand from our customers, we may be compelled to make capital expenditures or seek out costlier or lower quality third-party vendors to meet our needs. Any inability to secure leased spaces, equipment, vehicles or independent contractors or on attractive terms could have an adverse effect on our business, financial condition and results of operations.

14. *All of our facilities and most of our vehicles used for transportation of goods are leased pursuant to long-term leases or leave and licence agreements, which we may be unable to renew on satisfactory terms, or at all, or which may limit our flexibility to seek new rental agreements or terms.*

All of our warehousing and distribution facilities are located in leased premises or have been taken on a leave and licence basis. Many of our current leases or leave and licence agreements cannot be terminated without cause, and are for terms ranging between 11 months and 15 years with lock-in periods typically between one and nine years. Further, our distribution centre in Nagpur is subject to a lease term until November 2025. If our locations are no longer profitable or if there are other factors to close down a facility, we will generally remain liable to perform our obligations under the underlying lease or leave and licence agreement, which could, among other things, result in payment of rent for the balance of the rental term. Our obligation to continue making rental payments and fulfil other obligations under these agreements for closed facilities could have a material adverse effect on our business, financial condition and results of operations.

In addition, we may fail to negotiate the renewal of our leases or leave and licence agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or setting up of new premises, or to close facilities in desirable locations, affecting our financial condition and operations. Further, many of our rental premises are built-to-suit to specific needs and requirements. If we are unable to renew underlying agreements on favourable terms or at all, we may be forced to move to new facilities and incur significant capital expenditures and others costs in customising such locations to suit needs and requirements. Further, moving also involves costs associated with moving inventory, including potential damage to inventory. These potential increased rental costs and other costs for new facilities could materially and adversely affect our business, financial condition and results of operations.

All of our transportation vehicles, except for our reefer vehicles in our temperature-controlled logistics operations, are hired from third-party fleet operators. If third-party fleet operators do not provide adequate or reliable vehicles, which can service the needs of our customers, it could cause delays in shipment or damages to goods, which could adversely affect our reputation, financial condition and results of operations.

Our Company has entered into a master lease agreement with one of our service providers for leasing of refrigeration equipment, leasehold improvements, computer software and hardware, furniture and fixtures, office equipment and any other operative assets, in respect of which our service provider is entitled to claim depreciation on a long term “take or pay” arrangement, where we are bound to pay an amount equal to the aggregate amount of all future rental payments payable under the master lease agreement computed on a present value basis discounted at the rate of 10% per annum as of the advance payment date, as provided in the master lease agreement. This may affect our business, financial condition and result from operations.

15. *Some of our lease agreements may have certain irregularities.*

Our Company has entered into certain lease agreements and leave and license agreements that have not been registered, or are not adequately stamped. Accordingly, such documents may not be produced for enforcement before a court of law until the applicable stamp duty, registration charges, and consequent penalties are paid on such documents. Accordingly, we may be required to incur additional costs in order to adjudicate these agreements before relevant authorities. Further, this may affect our ability to renew such agreements or result in us being required to enter into an agreement for a new facility and consequently, we may experience business disruption. This may affect our business, financial condition and result of operations.

16. *If we are unable to implement our business and growth strategies effectively, our results of operations may be adversely affected.*

Our success depends on our ability to implement our business and growth strategies effectively. While our management typically considers potential revenues, costs and long-term sustainability when implementing its growth strategies, we cannot assure you that we will be able to execute our growth strategies in a timely manner, or at all, or within budget estimates or that we will meet the expectations of our customers. We believe that our business and growth strategies will place significant demands on our senior management and other resources, as well as our

operational and technological advancement, and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur indebtedness. Our inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations.

For instance, in Fiscal 2016, we briefly entered into the e-commerce last-mile delivery services business, which included deliveries for our e-commerce customers. Our e-commerce last-mile delivery services business was short-lived and we subsequently discontinued its operations as the business was not economically viable. Furthermore, revenue from our express logistics services declined between Fiscal 2015 and 2017, and we may not be able to increase our revenues or experience growth in that business in the manner we expect or at all. We also recently launched our temperature-controlled logistics services in Fiscal 2016. We only experienced limited growth between Fiscals 2016 and 2017 in our temperature-controlled logistics operations. There is no assurance that our strategy of expanding our temperature-controlled logistics services will be as economically beneficial to our Company as we expect or at all.

In addition, in anticipation of the introduction and implementation of GST, we strategically invested in large-scale warehousing capacities over the years to capitalise on the new tax regime. However, the introduction and implementation of GST in India may not result in the increase in demand for our large-scale warehousing and technological capacities at all or in the manner we currently expect. We lease our warehousing spaces from third parties and many are subject to long-term contracts and lock-in requirements. If we cannot use these excess distribution centre capacities that we lease, or if we incur penalties for terminating leases because we do not realise increased demand from the introduction and implementation of GST in the magnitude we expect, or at all, we may incur losses, including due to higher rental costs as a percentage of revenue from operations, which could materially and adversely affect our business, financial condition and results of operations.

17. *We may not be able to continue or effectively manage expansion through investments in facilities, further technologies and other assets.*

We may seek to further expand our business by, among other things, pursuing commercially sustainable opportunities to invest in logistics facilities, technologies and other assets. However, our efforts to continue and effectively manage our expansion may not be successful. If we expand too rapidly, we may encounter financial difficulties in a business downturn. On the other hand, if we fail to expand at a sufficiently rapid pace, we may lose market share and potential customers to our competitors. Our expansion is subject to many risks and uncertainties, including, for example: (i) the growth and development of the third-party logistics market in India; (ii) the development of our businesses in accordance with our projected costs and within our estimated time frame; (iii) consumer spending capacity and purchase and production of goods in India; and (iv) our delivery of commercially viable services based on new business processes or technologies.

We may choose to fund expansion by incurring debt or seeking additional sources of equity financing, which could also affect our future finance costs as well as our overall financial condition and results of operations. Our investments in expansion may not realise immediate returns and could restrict our cash flows if a significant portion of our cash is tied up in expansion projects. Further, our ability to expand our business is dependent on getting the requisite approvals and permits as well as securing ideal locations for our facilities. If we cannot get requisite approvals or permits or are unable to secure strategic locations for our facilities, our business and operations could be adversely affected.

We cannot assure you that we will be able to address all the risks involved in expanding our business or that we will be successful in expanding our business beyond our current services or geographic scope.

18. *We may be unable to effectively manage expansion through strategic acquisitions.*

We may pursue opportunities to acquire strategic businesses. Acquisitions, however, involve significant risks and uncertainties, including, for example: (i) difficulties in identifying suitable acquisition targets and competition from other potential acquirers; (ii) difficulties in determining the appropriate purchase price of acquired businesses, which may result in potential impairment of goodwill; (iii) potential increases in debt, which may increase our finance costs as a result of higher interest payments; and (iv) exposure to unanticipated contingent liabilities of acquired businesses and (v) receipt of requisite governmental, statutory and other regulatory approvals for any proposed acquisition; and (vii) not realising the benefits from certain investments, or certain investments not resulting in immediate returns.

Furthermore, integration of newly acquired businesses may be costly and time-consuming, and each acquisition could present us with significant risks and difficulties in integration, including, for example, in:

- integrating the operations and personnel of the acquired businesses and implementing uniform IT systems, controls, procedures and policies;
- retaining relationships with key employees, customers, business partners and suppliers of the acquired businesses;
- successfully entering a sector in which we may have limited prior experience; and
- achieving the anticipated synergies and strategic or financial benefits from the acquisitions.

We recently acquired a stake in Leanbox Logistics Solutions Pvt. Ltd., which uses technology to enhance last-mile delivery of goods. We cannot assure you that this acquisition or any other acquisitions we may undertake will be successful. Our business, financial condition and results of operations could be materially and adversely affected if we are unable to integrate or benefit from acquisitions.

19. *Our employee expense is a significant component of our operating costs. An increase in employee expense could reduce our profitability.*

Our operations are highly dependent on skilled and semi-skilled labour. Over the years, our employee expense has been a significant component of our operating costs. In the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our employee expense was ₹328.20 million, ₹565.47 million, ₹543.77 million and ₹438.58 million, respectively, constituting 9.2%, 10.1%, 10.5% and 10.8%, respectively, of our revenue from operations for such periods. Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India, in recent years, have been increasing. Further, our plans to expand in order to increase growth will also result in expansion of our work force and may therefore necessitate increased levels of employee compensation. In addition, we may also need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Finally, our employees' salaries are linked to minimum wage laws in India, and any increase in the minimum wage in any state in which we operate could increase our operating costs. In addition, a shortage in the labour pool or general inflationary pressures will also increase our labour costs. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, among other things, affect our growth, business and financial results.

20. *Our business and growth prospects depend on our ability to continue to attract and retain qualified personnel, including our senior management.*

We believe the experience of our senior management has been critical to our success and business growth and our continuing success depends on our ability to attract and retain a large group of experienced professionals, especially, since there is a limited availability of experienced professionals in the logistics industry in India. As a result, any loss of the services of any members of our senior management and our failure to recruit and retain a sufficient number of experienced personnel as part of our senior management could materially and adversely affect our business, financial condition and results of operations. In addition, the replacement of members of management may not be straightforward or achievable in a timely manner, and we may be required to wait indefinitely to fill positions until we find suitable candidates. Furthermore, attracting and retaining experienced and qualified personnel could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations.

21. *We may be held liable for the payment of wages to the independent contractors we engage in our business.*

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, our Company engages independent contractors throughout our business. See also *"Risks Related to Our Business – Dependence on third-party vendors could have an adverse effect on our business financial condition and results of operations."* As of September 30, 2017, 5,919 workers constituting 83.5% of our total workforce were engaged by us on an independent contractor basis. Although our Company does not employ these contractors directly, we may be held

responsible for any wage payments to be made to such contractors in the event of default by the third-party agencies who employ them. If we are required to pay the wages of the independent contractors, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on an independent contractor basis.

22. *We may be subject to labour unrest, slowdowns and increased wage costs.*

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Our employees are not unionised. However, in the event that employees at our facilities seek to unionise, it may become difficult for us to maintain flexible labour policies which may increase our costs and adversely affect our business. A potential increase in the salary scale of our employees or the disruption in services due to any potential strikes, may affect our business operations.

23. *Improper handling of goods at our facilities could damage our reputation and have an adverse effect on our business, results of operations and financial condition.*

Despite our adoption of technology and automated processes, our facilities continue to rely on our labour force to undertake various activities, enabling us to provide supply chain and logistics services to our customers. For instance, as at September 30, 2017, we had 5,919 workers, engaged by us on a contractual basis. Due to our dependence on our labour force to carry out various functions in our supply chain and logistics services, we remain susceptible to risks associated with the improper handling of goods at our facilities.

Any shortcoming due to fraudulent activities, theft, negligence, human error, or otherwise by our labour force could damage our reputation, adversely affecting our business, financial condition and results of operations. Further, such activities may also result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

24. *We face several risks associated with the setting up of our new facilities, which could hamper our growth, cash flows and business and financial condition.*

We allocate a significant part of the cash flows from our business operations for capital expenditures for developing the infrastructure for new facilities and for maintaining our existing facilities. When setting up new facilities, we may encounter cost overruns or delays for various reasons, including, but not limited to, delays in construction, delays in receiving governmental, statutory and other regulatory approvals and permits and delays in, or non-delivery of equipment by suppliers. If any facility that we propose to set up, maintain or renovate is not completed in a timely manner, or at all, our business and results of operations may be adversely affected. Further, our budgeted resources may prove insufficient to meet our requirements due to, among other things, cost escalation, which could drain our internal cash flows or compel us to raise additional capital, which may not be available, on terms favourable to us, or at all.

We also face risks specifically for our built-to-suit facilities. We face the risk of not being able to obtain a desired location specific to our customers' requirements, which could affect their supply chain operations and costs as well as our margins on our services provided to them. Further, we may face the risk of having vacant built-to-suit facilities since our facilities are often leased and built-to-suit before we have entered into a service contract with a customer. Hence, we could face the risk of having excess capacity, which we cannot easily substitute for other customers.

We also face concentration risk due to a high proportion of our facilities being aggregated in relatively few states in India. In particular, our highest concentrations of facilities are in the Indian states of Maharashtra, West Bengal, Haryana, Karnataka, Tamil Nadu and Gujarat. In the event of any regional disturbances or other events affecting all or any of these states, our activities at a substantial percentage of our facilities could be disrupted and our business adversely affected.

Any of the foregoing factors could undermine our expansion of facilities and hamper our growth and could adversely affect our business, financial condition and results of operations.

25. *We may require additional financing in the future and our operations could be curtailed if we are unable to obtain required additional financing when needed.*

We may need to raise additional capital from time to time, dependent on business requirements. Some of the factors that may require us to raise additional capital include (i) business growth beyond what the current balance sheet can sustain, (ii) additional capital requirements imposed due to changes in the regulatory regimes to which we are subject or new guidelines, and (iii) significant depletion in our existing capital base due to unusual operating losses. While we do not anticipate seeking additional financing in the immediate future, any additional equity financing may result in dilution to the holders of our outstanding Equity Shares. Additional debt financing may impose affirmative and negative covenants that restrict our freedom to operate our business, including covenants that:

- limit our ability to pay dividends or require us to seek consent for the payment of dividends;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow to fund capital expenditures, working capital and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and our industry;
- limit us from formulating any scheme of amalgamation or reconstruction, merger or demerger; and
- limit us from entering into borrowing arrangements with other banks or financial institutions.

We cannot guarantee that we will be able to obtain additional financing on terms that are acceptable to us, or any financing at all, and the failure to obtain sufficient financing could adversely affect our business operations.

26. *Failure in maintaining the requisite standard for storage of perishable products stored with us or transported by us could have a negative effect on our business.*

In our temperature-controlled logistics operations, we are required to maintain the requisite standard for storage of perishable products that we store and transport. We achieve this through various means, including by ensuring that our temperature-controlled facilities adhere to specific storage requirements as required by our customers in terms of the agreements entered into with them and deploying data loggers in our reefer trucks to ensure continuous monitoring of temperature. However, if we consistently, or frequently, fail to maintain the prescribed or requisite standards at our temperature-controlled facilities or in our reefer trucks, we may be unable to retain our temperature-controlled logistics customers which will have an adverse effect on our business, growth prospects and our financial results. In particular, given that we are engaged in the storage and transportation of food products, the Food Safety and Standards Act, 2006 requires us to obtain a licence to operate as a ‘food business operator’. Any failure on our part to obtain such licence, or comply with the standards prescribed under the Food Safety and Standards Act, 2006, may result in various sanctions, including fine and imprisonment. Further, under the terms of the agreements entered into with our temperature-controlled logistics customers, if the products delivered by us do not meet the requirements specified by our customers, then our customers may dispose of the products in a manner convenient to them, and the cost of such disposal may be adjusted from payments due to us.

Some of the products stored and/or transported by us are perishable in nature. In the event that we fail to maintain the prescribed and/or requisite standards of storage or if the integrity of products that are stored or distributed is compromised, we could be in breach of our contractual obligations to our customers which could lead, among other things, to monetary damages. For example, we had two instances of product damage in Fiscal 2017 caused by a failure of refrigeration in our reefer vehicles during transportation. Given that a majority of the perishable products handled by our temperature-controlled logistics operations are ultimately consumed by the general public, we face potential public liability which may be significantly in excess of our insurance coverage. We may also face criminal liability in this respect. For further details, please see the section entitled “*Outstanding Litigation and Material Developments*” on page 209. Furthermore, obtaining insurance coverage with respect to losses incurred in connection with perishable products is often cost prohibitive, such that the cost of insurance can often be greater than the cost of the underlying

products. Hence, we may not have adequate insurance coverage or any coverage to mitigate risks associated with losses related to perishable products stored and transported in our temperature-controlled logistics operations. For further details, please see the section entitled “*Our Business – Insurance*” on page 134.

27. *We could be adversely affected by instances of food-borne illness, as well as widespread negative publicity regarding food quality, illness, injury or other health concerns.*

Negative publicity, real or perceived, about food quality, illness, injury or other health concerns (including from life-style diseases) or similar issues stemming from food products we store or distribute for our customers in the food and beverage sector could materially and adversely affect us, regardless of whether they pertain to our own temperature-controlled facilities or those operated by others. For example, health concerns about the consumption of meat products or specific events such as outbreaks of food-borne illnesses could lead to changes in consumer preferences, thereby affecting the business of our customers resulting in loss of business to us. In addition, we cannot guarantee that our operational controls and employee training will be effective in preventing food-borne illnesses, food tampering and other food safety issues that may affect our operations. Food-borne illness or food tampering incidents could be caused by customers, employees or food suppliers and transporters and, therefore, could be outside of our control.

28. *Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.*

As of September 30, 2017, our total outstanding debt was ₹357.30 million (excluding CCDs then outstanding). Our financing agreements governing our borrowings include conditions and restrictive covenants that require us to obtain consents, no-objections or waivers from respective lenders prior to carrying out specified activities or entering into certain transactions. Such restrictive covenants, among other things, restrict our ability to borrow additional debt, declare dividends or incur capital expenditures beyond prescribed thresholds, change the shareholding pattern or change management of our Company, issue any guarantee, use other banks’ facilities, make investments other than in the ordinary course of business, sell/transfer/lease/dispose a substantial part of our assets, pre-pay and form, acquire or invest in any ownership interest in any entity. We cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future.

Further, we typically secure these debt obligations with a combination of security interests over our assets and hypothecation of movables and future receivables. The security allows our lenders to sell the relevant assets in the event of our default and to exercise other related rights.

Under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times.

Further, if we incur more debt or if there is an increase in the applicable interest rates for our existing debt, our interest payment obligations will increase and we may become subject to additional conditions from lenders, including additional restrictions on the operation of our business. The financing agreements that we are party to, or which we may enter into in the future, may be unilaterally terminated by our lenders or the lenders could decline to lend to us under such agreements.

Under some of the credit facilities availed by us, our lenders are entitled to terminate the credit facility in the event of any default committed by us under other loan facilities. In case we default in any of our outstanding borrowings, we may not be able to declare or issue dividends, without the approval of our lenders. The banks may change the applicable banking policies, increase interest rates or levy penal interest for non-compliances, if any. Inability to effectively service our borrowings, comply with or obtain waivers of applicable loan covenants, as the case may be, may adversely affect our business, results of operations and financial conditions. For further details, please see the section entitled “*Financial Indebtedness*” on page 286.

29. ***Our Company, Promoter, Group Companies and Directors are involved in certain legal proceedings and potential litigation. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.***

Our Company, Promoter, Group Companies and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to our Company, our Promoter, Group Companies and Directors as on the date of this Red Herring Prospectus have been provided below in accordance with the materiality policy adopted by our Board. For further details, please see the section entitled “*Outstanding Litigation and Material Developments*” on page 309.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal cases	3	Nil
Notices	3	1.03

Litigation against our Promoter

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal cases	67	Nil
Taxation matters	6	Nil
Regulatory actions in the last five years	20	154.82

Litigation against our Group Companies

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal cases	173 [#]	Nil
Taxation matters	141	2,674.84
Regulatory actions in the last five years	3	28.76
Notices	13	Nil

[#]This does not include the total number of FIRs involving FRL.

Litigation against our Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal cases	34	Nil
Civil cases	1	2.35
Regulatory actions in the last five years	1	Nil

For further details, please see the section entitled “*Outstanding Litigation and Material Developments*” on page 309.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Promoter, Group Companies and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

30. ***Our business is dependent on the road network in India and our ability to utilise our vehicles in an uninterrupted manner. Any disruptions or delays in this regard could adversely affect us and lead to a loss of reputation and/ or profitability.***

The transportation and delivery services we provide are dependent on the road network in India. There are various

factors which affect road transport such as political unrest, bad weather conditions, natural calamities, road construction, road quality, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers, accidents or mishaps and third-party negligence. Even though we undertake various measures to avoid or mitigate such factors to the extent possible, some of these could cause extensive damage and affect our operations and/or the condition of our vehicles, thereby increasing our operational costs. Also, any such interruption or disruptions could cause delays in the delivery of goods to their destination and/or also cause damage to transported cargo. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/or losses or injuries sustained by other third parties. Further, such delays and/or damage may cause a loss of reputation, which, over a period of time could lead to a decline in business. In the event that goods to be delivered have a short shelf life, such as perishable goods in our temperature-controlled logistics operations, any delay in the delivery of such cargo could also expose us to additional losses and claims. Although, some of these risks are beyond our control, we may still be liable for the condition of such cargo and their timely delivery and any disruptions or delays could adversely affect us and lead to a loss of reputation and profitability. Under the terms of certain of our agreements with our customers, we are required to facilitate customers' insurance claims for losses on products in transit and to compensate such customers if we fail to do so.

In addition, any prolonged or significant downtime of our transportation vehicles or related equipment caused by unforeseen circumstances may cause major disruptions to our operations. In the event we are affected by such prolonged and significant downtime of our vehicles or equipment, our operations and financial performance may be materially and adversely affected.

31. *Our insurance may be insufficient to cover all losses associated with our business operations.*

We procure insurance for our operations against third-party liability, transportation risks, property loss and damage, and workers' compensation for injury and death. Our existing insurance coverage may be insufficient to cover all the risks associated with our business and operations and generally do not cover losses from business interruption. Further, insurance coverage for certain types of risk, and in particular, with respect to certain perishable products that we store and deliver in our temperature-controlled logistics operations, are prohibitively expensive or not available such that we do not maintain coverage on certain types of goods that we store and transport. For example, insurance coverage for handling pharmaceutical and healthcare products as well as food and beverages is generally very costly or unavailable. Further, if we are unable to secure vehicular insurance on attractive terms for our reefer trucks, our transportation operations as a part of our temperature-controlled logistics services could be negatively affected. We also cannot assure you that we will renew our existing insurance policies in a timely manner or at all.

In the case of an uninsured loss, a loss in excess of insured limits or a loss for which we do not have coverage or coverage is prohibitively expensive, including those caused by natural disasters and other events beyond our control as well as for certain types of perishable goods, we may be required to pay for losses, damages and liabilities out of our own funds, which could materially and adversely affect our business, financial condition and results of operations. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future.

32. *Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.*

We believe that each of our facilities and transport vehicles have adequate equipment to ensure and meet necessary safety standards. However, certain accidents or mishaps may be unavoidable or may occur on account of negligence in complying with prescribed safety standards. Therefore, although we take all necessary steps to ensure safety, accidents, including human fatalities, may occur and there can be no assurance that our safety measures and the precautions undertaken will be completely effective or sufficient.

Further, although we maintain third-party liability insurance, the liability incurred may far exceed the insurance cover. Any accident at our facilities or involving our transport vehicles could also harm our reputation. Such accidents, irrespective of the monetary liability, may have an adverse effect on our business and reputation.

33. *We experience the effects of seasonality, which may result in our operating results fluctuating significantly.*

Some of our customers' businesses are subject to seasonality, which in turn, affects our business. For instance, our customers in the fashion and lifestyle industry experience higher demands during festival season in India, and our operations from such customers increase accordingly during such periods. As a result of such seasonality, our quarterly financial results may fluctuate significantly. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter and declines in demand during our peak seasonal periods could materially and adversely affect our business, financial condition or results of operations.

34. *The properties on which our Registered Office and Corporate Office are located are not owned by us, and our inability to continue to use these properties in the future may have an adverse effect on our results of operations and financial results.*

We do not own our Registered Office. Our Registered Office is located at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060. We have been permitted by Future Enterprises Limited to use the said premises through a no objection letter dated March 8, 2006. Further, our Company has entered into a leave and licence agreement dated August 16, 2016 with M/s. Navrang Studios for our Corporate Office, for a term of five years commencing from October 16, 2016 and on a non-assignable and non-transferable basis.

There is no assurance that we will be able to renew our leave and licence agreement for our Corporate Office on favourable terms or at all. There is also no assurance that we will continue to be permitted to use the location of our Registered Office. If we are unable to continue to use the premises for our Corporate Office or Registered Office, we may face additional costs if we are forced to shift premises, and this may adversely affect our business and operations.

35. *Natural disasters, fires, epidemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to global or Indian economic instability, which may in turn materially and adversely affect our business, financial condition and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which may require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of vehicles or facilities, resulting in the suspension of operations, and may prevent us from performing services for our customers or generally reduce our productivity. For instance, a cyclone in Chennai in 2016 caused a temporary stoppage in our operations affected by the adverse weather. Furthermore, on January 30, 2014, our assets were damaged and destroyed in a fire that broke out at our distribution centre in Bengaluru.

Further, India has witnessed terrorist attacks and civil disturbances in recent years and it is possible that future terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of our Equity Shares.

36. *We are required to maintain various licences and permits for our business from time to time. Any failure or delay in obtaining or renewing licences or permits may adversely affect our operations.*

Our business is subject to government regulations and we require certain approvals, licences, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making applications for obtaining the approval or their renewal. Such approvals, licenses and registrations elapse in the ordinary course of business and our Company makes applications for renewal as and when practicable and as per applicable law. In addition, we may not be in compliance with certain conditions prescribed under such approvals or licences. Government licences and approvals may also be tied to numerous conditions, some of which may be onerous to our Company and require substantial expenditures. There is no assurance in the future that the licences, approvals and permits applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable law. Our failure to obtain or timely renew such licences and approvals and comply with the provisions of the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. Furthermore, our failure to obtain or renew licences and approvals could affect our ability to recover under our insurance policies. For details, please see the section entitled "Government and Other Approvals" on page 325.

Further, applications for approvals, licences, registrations and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. We cannot assure you that we would be able to receive these approvals in a timely manner or at all. In addition, certain government approvals and licences are subject to numerous conditions, some of which may be onerous and may require us to incur substantial expenditure. If we are unable to make applications and renew or obtain necessary permits, licences and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all, it could materially and adversely affect our financial condition and results of operations. For further details, please see the section entitled “*Government and Other Approvals*” on page 325.

37. *Certain non-compliances by our Company on directions issued by the Central Government may result in proceedings being initiated against our Company and affect our reputation and business operations*

Anshuman Singh had been appointed as the Managing Director for the period from June 1, 2008 up to May 31, 2013 by the Board subject to approval from Central Government under the Companies Act, 1956. An application for such approval was made but rejected by the Central Government. A request for re-consideration of the application for approving appointment of Anshuman Singh as the Managing Director and his remuneration was filed by our Company with the Central Government. Subsequently, Anshuman Singh was re-appointed as Managing Director pursuant to fresh board and shareholders’ resolutions passed on April 16, 2013 for a period of three years from June 1, 2013. Our Company passed a Board resolution to waive the recovery of amounts paid to Anshuman Singh from June 1, 2008 to July 31, 2010. Our Company filed various applications with the Central Government for reconsideration of the appointment and payment of remuneration, along with approval to waive the recovery of remuneration paid, which were rejected by the Central Government. While we have initiated necessary processes in order to achieve compliance and the recovery of the remuneration paid, in the event any action is taken against our Company, this may have an adverse effect on our reputation, business and financial condition.

38. *We use trademarks that are registered by Future Ideas Company Limited. Our inability to use any such trademark or logo could adversely affect our business and results of operations.*

Future Ideas Company Limited (“FICL”), owns the trademarks ‘Future Group – India Tomorrow’ and ‘Future Group’ and the associated logos (collectively, the “**Future Trademarks**”). Pursuant to the master licence agreement dated October 1, 2016 between FICL and our Company (the “**Agreement**”), FICL has granted a non-exclusive and non-transferable licence to use the Future Trademarks in, marketing and advertisements of services, amongst other things, during the term of the Agreement and communications with third parties and, with the written consent of FICL, for business activities outside India in consideration of royalty payments. For further details, please see the section entitled “*Our Business – Intellectual Property*” on page 133.

We operate in a competitive environment, where generating brand recognition will be a significant part of our business. In the event the Agreement is terminated, we may need to change our logo. Any such change could require us to incur additional costs and may adversely impact our business, financial condition and results of operation.

39. *Our inability to deliver products in a timely manner may affect our reputation and business prospects.*

Time is of the essence in our business. Our third-party logistics operations are dependent upon timely pick-up and delivery of products that are stored in our distribution centres or that are otherwise distributed by us. However, distribution of such products may be subject to delays including due to factors beyond our control. Any delay in the delivery of products may result in a breach of the contract with the relevant customer and may be grounds for penalties, fines, other damages or termination of such contract. An inability to retain our customers may harm our reputation and will have an adverse effect on our financial performance and business prospects.

Further, a delay in the distribution of perishable products in our temperature-controlled logistics operations may compromise the integrity and quality of the products and could render us susceptible to litigation from our customers and to potential claims from the end consumers of such products. While, thus far, no material proceedings have been initiated against us in this regard, there can be no assurance that we will not face such risks in future or that we will not be subject to litigation.

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

We have entered into transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of our business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. Set out below is an overview of our related party transactions for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 in accordance with Ind AS:

	Holding Company			Fellow Subsidiary Company			Key Management Personnel			
	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)
Nature of Transactions										
Purchase of Fixed Assets	—	—	0.72	61.96	—	—	—	—	—	—
Future Enterprises Limited			0.72	61.96						
Income from operation	63.24	15.21	1,110.48	1,675.82	7.19	1.81	—	—	—	—
Future Enterprises Limited	63.24	15.21	1,110.48	1,675.82						
Work Store Ltd					1.48	1.59				
Goldmohur Design and Apparel Park Limited					0.87					
Apollo Design Apparel Parks Limited					0.98	0.22				
Galaxy Entertainment Corporation Limited					3.85					
Reimbursement of Expenses	—	—	4.09	18.79	—	—	—	—	—	—
Rent paid	—	—	2.15	2.14	—	—	—	—	—	—
Future Enterprises Limited			2.15	2.14						
Expenses	0.58	—	0.08	0.26	2.80	1.85	—	—	—	—
Future Enterprises Limited	0.58		0.08	0.26						
Work Store Ltd					0.17	0.05				

(₹ in million)

	Holding Company				Fellow Subsidiary Company				Key Management Personnel			
	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)
Nature of Transactions												
Future Generali India Life Insurance Co Ltd.					1.79	1.80						
Galaxy Entertainment Corporation Limited					0.84							
Remuneration	—	—	—	—	—	—	—	—	—	8.02	24.25	19.33
Anshuman Singh										8.02	24.25	19.33
Advances given	—	—	—	—	—	—	—	—	—	—	—	—
As on September 30												
Receivable	58.75	16.78	4.35	635.25	4.07	1.98	—	—	—	—	—	—
Future Enterprises Limited	58.75	16.78	4.35	635.25		—						
Work Store Ltd					0.96	1.83						
Goldmohur Design and Apparel Park Limited					0.23							
Apollo Design Apparel Parks Limited					0.51	0.15						
Future Generali India Life Insurance Co Ltd					0.45							
Galaxy Entertainment Corporation Limited					1.93							

Set out below is an overview of our related party transactions for Fiscals 2014 and 2013 in accordance with Indian GAAP:

(₹ in million)

	Holding Company		Fellow Subsidiaries		Subsidiary Company		Key Management Personnel	
Nature of Transactions	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Purchase of Fixed Assets	50.43	9.36	—	—	—	—	—	—
Future Enterprises Limited	50.43	9.36	—	—	—	—	—	—

Nature of Transactions	Holding Company		Fellow Subsidiaries		Subsidiary Company		Key Management Personnel	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Future Value Retail Limited	—	—	—	0.10	—	—	—	—
Income from operation	480.32	1,004.95	1,043.69	1,346.10	—	5.20	—	—
Future Enterprises Limited	480.32	1,004.95	—	—	—	—	—	—
Future Value Retail Limited	—	—	1,005.68#	1,337.49^	—	—	—	—
Future E-Commerce Infrastructure Limited	—	—	1.08	6.85	—	—	—	—
Future Fresh Foods Limited	—	—	—	1.75	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	—	5.20	—	—
Future Lifestyle Fashions Limited	—	—	36.93	—	—	—	—	—
Reimbursement of Expenses	4.19	3.22	3.36	7.69	0.08	0.34	—	—
Future Enterprises Limited	4.19	3.22	—	—	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	0.08	0.34	—	—
Future Value Retail Limited	—	—	3.36	6.65	—	—	—	—
Future E-Commerce Infrastructure Limited	—	—	—	0.49	—	—	—	—
Future Fresh Foods Limited	—	—	—	0.55	—	—	—	—
Rent paid	0.70	—	0.77	2.30	—	—	—	—
Future Enterprises Limited	0.70	—	—	—	—	—	—	—
Future Value Retail Limited	—	—	0.77	2.30	—	—	—	—
Expenses	0.28	2.51	0.30	—	—	—	—	—
Future Enterprises Limited	0.28	2.51	—	—	—	—	—	—
Work Store Limited	—	—	0.30	—	—	—	—	—
Remuneration	—	—	—	—	—	—	17.81	15.74
Anshuman Singh	—	—	—	—	—	—	17.81	15.74
Advances given	—	—	—	—	—	3.00	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	—	3.00	—	—

Nature of Transactions	Holding Company		Fellow Subsidiaries		Subsidiary Company		Key Management Personnel	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
As on March 31,								
Receivable	608.93	633.84	17.29	502.80	43.03	39.95	—	—
Future Enterprises Limited	608.93	633.84	—	—	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	43.03	39.95	—	—
Future E-Commerce Infrastructure Limited	—	—	17.29	16.18	—	—	—	—
Future Fresh Foods Limited	—	—	—	15.29	—	—	—	—
Future Value Retail Limited	—	—	—	471.34	—	—	—	—

For further details, please also see the section entitled “*Related Party Transactions*” on page 181.

41. Our transportation operations depend on our ability to generate sufficient transportation volumes to achieve acceptable profit margins or avoid losses.

Our transportation operations are dependent on the availability of sufficient transportation volumes to achieve acceptable margins and avoid losses. The high fixed costs that are typical in our transportation operations do not vary significantly with variations in transportation volumes, and a relatively small change in transportation volumes or the prices we charge to our customers can have a significant effect on our results of operations. Further, difficulties with internal processes or other external adverse influences could lead to shortfalls in revenue. As a result, the success of our business depends on our ability to optimise transportation volumes and revenues. If we are unable to succeed sufficiently at these tasks, we may not be able to achieve acceptable operating or net profit margins, and our business, results of operations and financial condition could be adversely affected.

42. We have experienced negative cash flows in the prior years.

We have experienced negative cash flows from operations in the recent past, including ₹154.10 million for Fiscal 2016, primarily due to an increase in receivables during such period as well as an intercorporate deposit. Our cash flow for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 are set forth in the table below. Any negative cash flows in the future could adversely affect our results of operations and financial condition.

(in ₹ millions)

	Six months ended September 30,	Fiscal		
		2017	2016	2015
Net cash generated from / (used in) operating activities	404.60	925.97	(154.10)	440.03
Net cash generated used in investing activities	(222.07)	(638.97)	(25.33)	(175.38)
Net cash generated from / (used in) financing activities	(11.14)	164.98	173.43	(266.69)
Net increase / (decrease) in cash and cash equivalents	171.39	451.98	(6.01)	(2.04)
Cash and Cash Equivalents (Opening Balance)	466.75	14.77	20.78	22.81
Cash and Cash Equivalents (Closing Balance)	638.14	466.75	14.77	20.78

43. Certain sections of this Red Herring Prospectus disclose information from an industry report commissioned by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Pursuant to being engaged by our Company, A&M prepared a report dated August 14, 2017 on the organized logistics industry in India entitled, “Future of Organized Logistics in India – Contract, Express and Cold Chain” (the “**A&M Report**”). A&M is not in any way related to the Company, its Directors or Promoter. Certain sections of this Red Herring Prospectus include information based on, or derived from, the A&M Report or extracts of the A&M Report. Such sections of this Red Herring Prospectus include “Summary of Industry”, “Summary of our Business”, “Industry Overview” and “Our Business” on pages 46, 49, 89 and 119, respectively. None of our Company (including our Directors), the Selling Shareholders and the Lead Managers possess the professional skills to evaluate the accuracy, adequacy, completeness and objectivity of, or verify, the information covered in the A&M Report and cannot provide any assurance regarding the information in this Red Herring Prospectus derived from, or based on, the A&M Report. All such information in this Red Herring Prospectus indicates the A&M Report as its source. Accordingly, you should not place any reliance on the information in this Red Herring Prospectus derived from, or based on, the A&M Report for making any investment decision regarding the Offer.

Further, A&M India has disclaimed its liability to any party (other than our Company) in relation to the A&M Report. Further, A&M India does not guarantee the accuracy, adequacy or completeness of the information in the A&M Report and has disclaimed its responsibility and liability for any errors or omissions in, or results obtained from the use of, the A&M Report. For A&M India's complete disclaimer in relation to the A&M Report, please see the section entitled "Industry Overview" on page 89.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the A&M Report. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the A&M Report before making any investment decision regarding the Offer.

44. *Our Statutory Auditor has included an observation in the Company Auditors Report Order for Fiscal ending March 31, 2013.*

Our Company's Auditors Report Order for the Fiscal ending March 31, 2013 included the following observation: "According to the information and explanation given to us and overall examination of the Balance Sheet and Cash Flow Statement of the Company we report that the Company has used funds raised on short term basis amounting to ₹296.74 million for long term investments." Although this observation did not require any corrective adjustments in the financial statements for Fiscal 2013, it was made in accordance with the requirements of the Companies (Auditors Report) Order, 2013, as amended.

45. *We do not have certain documents evidencing the biographies of certain of our Directors in the section entitled "Our Management" on page 146 of this Red Herring Prospectus.*

In accordance with the disclosure requirements stipulated under the SEBI ICDR Regulations, the brief biographies of our Directors disclosed in the section entitled "Our Management" on page 146 include details of their educational qualifications and professional experience. However, the original documents evidencing such educational qualifications and professional experience are not available with some of our Directors. We have undertaken all reasonable efforts to obtain such documents from the Directors, and in the absence or loss of such documents, we have relied on affidavits provided by such Directors to verify the authenticity of such disclosures. We cannot assure you that such disclosures do not have any inadvertent errors or omissions.

46. *Some of our Group Companies have incurred losses, which may have an adverse effect on our reputation and business.*

The following table sets forth the details of our loss-making Group Companies:

(Figures in ₹ million except per share data)

S. No.	Name of the entity	Profit/(Loss)		
		Fiscal 2017	Fiscal 2016	Fiscal 2015
1.	Galaxy Entertainment Corporation Limited	(141.98)	(15.01)	1.44
2.	Future Consumer Limited	(610.06)	(1,076.82)	(1,027.64)
3.	Future Generali India Life Insurance Company Limited	(870.14)	(356.82)	9.88
4.	Futurebazaar India Limited	(0.51)	(2.05)	(4.14)
5.	Work Store Limited	(26.24)	(86.12)	(49.24)

There can be no assurance that our Group Companies will not incur losses in the future, which may have an adverse effect on our reputation and business.

47. *One of our Group Companies has availed of unsecured loans, which may be repayable on demand.*

One of our Group Companies, Galaxy Entertainment Corporation Limited, has availed of unsecured loans which could be recalled by the relevant lenders at any time, which in turn could adversely affect its business and financial condition.

48. *We may be classified as a passive foreign investment company (“PFIC”) for U.S. federal income tax purposes, which could result in adverse U.S. federal income tax consequences to U.S. Holders of Equity Shares.*

Based on the current and anticipated composition of the income, assets and operations of the Company, the Company does not expect to be treated as a PFIC for the current taxable year or in the foreseeable future. This is a factual determination, however, that depends on, among other things, the composition of the income and assets, and the market value of the shares and assets, of the Company and any subsidiaries from time to time, and thus the determination can only be made annually after the close of each taxable year. A non-U.S. corporation will be classified as a PFIC for any taxable year if either: (a) at least 75% of its gross income is “passive income” for purposes of the PFIC rules or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. Therefore there can be no assurance that the Company will not be classified as a PFIC for the current taxable year or for any future taxable year. If the Company were to be treated as a PFIC for any taxable year, U.S. investors may suffer certain material adverse tax consequences.

Risks Related to India

49. *Political instability or changes in the Indian central government could adversely affect economic conditions in India and consequently, our business.*

Our Company is incorporated in India and currently derives all of its revenues from operations in India and all of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- other significant regulatory or economic developments in or affecting India or its retail sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

50. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crisis, has led to increased liquidity and credit concerns and volatility in the global credit and financial markets. These and other related events have had a significant adverse effect on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. Recent concerns relating to the U.S. Federal Reserve's decision to raise interest rates in the United States have led to increased volatility, particularly in the stock and currency markets in emerging economies. In addition, China is one of India's major trading partners, and there are rising concerns of a possible slowdown in the Chinese economy. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilising effects. Any significant financial disruption could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

51. *If inflation rises in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of transportation, fuel, rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

52. *Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.*

Our financial statements for Fiscals 2014 and 2013 included in this Red Herring Prospectus are prepared and presented in conformity with Indian GAAP, while our financial statements for Fiscals 2017, 2016 and 2015 included in this Red Herring Prospectus are prepared and presented in conformity with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. As a result, the financial statements prepared under Ind AS for Fiscals 2017, 2016 and 2015 may not be comparable to our historical financial statements. For a reconciliation of Indian GAAP to Ind AS, please see Annexure VI to our Restated Financial Statements. Accordingly, the degree to which the Financial Statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Red Herring Prospectus.

Furthermore, while our Company's independent auditors, NGS & Co. LLP, are registered members of the Institute of Chartered Accountants of India and are permitted to audit Indian public companies under Indian law, based on information provided by NGS & Co. LLP, we understand that they have limited international capital markets experience.

53. *Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against our Company consequently affecting our business, cash flows and financial condition.*

The Competition Act, 2002 (the "**Competition Act**") seeks to prevent business practices that have a material adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market, or number of customers in the market is presumed to have a material adverse effect on competition in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

54. *Our Company's ability to raise foreign capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our Company's financing sources for ongoing capital expenditures or acquisitions and other strategic transactions, and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure investors that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have a material adverse effect on our Company's business, prospects, result of operations, cash flows and financial condition.

Risks Relating to the Offer

55. *Our Promoter will continue to hold a significant equity stake in our Company after the Offer. Further, our Promoter has other interests in our Company in addition to its equity shareholding.*

Following completion of the Offer, our Promoter will continue to hold 51.22% of our Equity Share capital (assuming (a) the Offer is fully subscribed; and (b) the outstanding CCD are fully converted). Our Promoter will therefore have the ability to influence our operations significantly. This will include the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings including issue of Equity Shares, payment of dividends, determining business plans and mergers and acquisitions strategy. Further, if, in the future, our Promoter is unwilling to dilute its equity stake in our Company and does not, or is unable to, fund us, our growth may be affected. In addition, the trading price of the Equity Shares could be materially adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoter. For details of the stake in our Company held by our Promoter, please see the section entitled "*Capital Structure*" on page 69. For details of interests of our Promoter in our Company, please see the section entitled "*Our Promoter and Promoter Group – Business Interests*" on page 165.

56. *Our Company has not paid any dividends in the last five years and we cannot assure payment of dividends on the Equity Shares in the future.*

While our dividend policy is as set out in the chapter entitled "*Dividend Policy*" on page 180 of this Red Herring Prospectus, the amount of future dividend payments by our Company, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements to make any dividend payments unless otherwise agreed with the lenders.

57. *After the Offer, the price of our Equity Shares may become highly volatile, or an active trading market for our Equity Shares may not develop.*

The price of our Equity Shares on the Stock Exchanges may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors; adverse media reports about us or the Indian logistics sector generally; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalisation and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer.

If the stock price of the Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment. As at the date of this Red Herring Prospectus, there is no market for the Equity Shares. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges. There can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors might not be able to sell the Equity Shares rapidly at the quoted price if there is no active trading in the Equity Shares.

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

You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months

as a capital asset will not be subject to capital gains tax in India if Securities Transaction Tax (“STT”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In addition, any gain realised on the sale of listed equity shares for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a higher rate than a transaction where STT has been paid. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided for 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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

59. *The Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.*

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public’s reaction to our press releases and adverse media reports; and
- general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company’s performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

60. *Investors may have difficulty enforcing foreign judgments against our Company or our management.*

Our Company is a limited liability company incorporated under the laws of India. All of our directors and executive officers are residents of India. A substantial portion of our Company’s assets and the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“CPC”) on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court

of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central

Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

61. *The determination of the Price Band is based on various factors and assumptions and the Offer Price may not be indicative of the market price of the Equity Shares once the Equity Shares are listed. Further, the current market price of securities listed pursuant to certain initial public offerings managed by the Lead Managers is below their respective issue price.*

The determination of the Price Band is based on various factors and assumptions, and is determined by our Company in consultation with the Selling Shareholders and the Lead Managers. Furthermore, the Offer Price will be determined by Company in consultation with the Selling Shareholders and the Lead Managers based on the Book Building Process. For details, please see the section entitled “*Basis for the Offer Price*” on page 84. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Lead Managers is below their respective issue price. For details, please see the section entitled “*Other Regulatory and Statutory Disclosures – Price Information of Past Issues Handled by the Lead Managers*” on page 338. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing of its Equity Shares, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place with respect to the Equity Shares, or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

Prominent Notes:

- Our Company was incorporated on March 8, 2006 as Future Logistic Solutions Limited, a public limited company under the Companies Act, 1956, with the RoC. Our Company was granted a certificate of commencement of business dated March 31, 2006. For further details, please see the section entitled “*History and Certain Corporate Matters*” on page 139. Except as disclosed in the section entitled “*History and Certain Corporate Matters*” on page 139, there has not been any change in the name of our Company at any time during the last three years immediately preceding the date of the Draft Red Herring Prospectus and there has not been any change in the objects clause of our Memorandum of Association.
- This Offer is an Initial public offer of 9,784,570 Equity Shares of face value of ₹10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million.
- The net worth of our Company as of March 31, 2017 and September 30, 2017 was ₹ 2,928.09 million and 3,260.55 million, respectively as stated in the Restated Financial Statements.
- The net asset value per Equity Share of our Company as of March 31, 2017 and September 30, 2017 was ₹ 74.81 and ₹ 83.31, respectively as stated in the Restated Financial Statements.
- The average cost of acquisition of Equity Shares by the Promoter is as follows:

Name of the Promoter	Number of Equity Shares held by the Promoter	Average cost of acquisition of Equity Shares (₹)
FEL	22,472,831	23.49

- The average cost of acquisition of Equity Shares by the Selling Shareholders is as follows:

Name of the Selling Shareholders	Number of Equity Shares held by the Selling Shareholders	Average cost of acquisition of Equity Shares (₹)
Griffin	13,691,131	323.02
FEL	22,472,831	23.49

- Except as disclosed in the sections entitled “*Our Group Companies*” and “*Related Party Transactions*” on pages 168 and 181, respectively, none of our Group Companies have any business or other interests in our Company.
- Except as disclosed below, for details of transaction with Group Companies during the last Fiscal, the nature of transactions and the cumulative value of transactions, please see the section entitled “*Related Party Transactions*” on page 181:

(In ₹ million)

Sr. No.	Name of the Group Company	Nature of Transaction	Amount
1.	Future Consumer Limited	Income from operations	114.89
2.	Future Generali India Life Insurance Company Limited	Insurance expenses	(1.80)
3.	Future Lifestyle Fashions Limited	Income from operations	337.63
4.	Future Retail Limited	Income from operations	3,035.14
		Expenses towards rent	(3.08)

- There has been no financing arrangement whereby the Promoter Group, the Directors of our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI.
- Bidders may contact the Lead Managers, who have submitted the due diligence certificate to SEBI, for any complaints, information or clarification pertaining to the Offer. For details of contact information of the Lead Managers, please see the section entitled “*General Information*” on page 59.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section is derived from the report titled “Future of Organized Logistics in India – Contract, Express and Cold Chain”, dated August 14, 2017 (the “A&M Report”), prepared by Alvarez & Marsal India Private Limited (“A&M”). We commissioned the A&M Report for the purpose of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Lead Managers, nor any other person connected with the Offer has verified the information in the A&M Report. Further, the A&M Report was prepared based on publicly available information, data and statistics as of specific dates and may no longer be current or reflect current trends. The A&M Report may also be based on sources that base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. A&M, has advised that while it has taken due care and caution in preparing the A&M Report based on the information obtained by A&M from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the A&M Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of A&M Report or the data therein. The A&M Report is also subject to the disclaimer set forth at the end of the section entitled “Industry Overview”. Further, the A&M Report is not a recommendation to invest / disinvest in any company covered in the report. A&M especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the A&M Report. Prospective investors are advised not to unduly rely on the A&M Report when making their investment decision. For purposes of this section, a conversion rate of US\$ 1 = ₹65 has been used.

Indian Logistics Industry

The Indian logistics market was estimated at approximately ₹9,100 billion (US\$ 140 billion) in Fiscal 2017. Indian logistics expenditure is approximately 6.0% of India’s GDP (excluding inventory carrying cost), which is higher than that of the United States (approximately 5.5% of the United States’ GDP), but lower than that of China (approximately 11.5% of China’s GDP). However, when one compares the logistics spend in India after adjusting for the share of manufacturing/agriculture in GDP and geographic size of the country, logistics in India is around two times less efficient than China and the United States. If we include the impact of inventory cost, the difference in efficiencies becomes even wider as time of transport and cost of storage and handling in India is significantly higher than global benchmarks. Hence, there are opportunities to optimise the logistics spend in India. Inefficient logistics in India is measured by the logistics performance index, which is an indicator for logistics infrastructure and quality. GDP per capita has been observed to be significantly correlated to the logistics performance index of a country.

For India, the logistics market excluding rail freight and port handling is estimated at approximately ₹7,500 billion (US\$ 115 billion) in Fiscal 2017 and the share of the organized logistics market is approximately 12% of the total, estimated at approximately ₹900 billion (US\$ 14 billion). In developed markets like the United States and Europe, the share of the organized logistics market is over 80%.

The Indian logistics market has grown at approximately a 12% CAGR between Fiscals 2012 and 2017. The industry growth is expected to continue in line with the historical growth trajectory because of strong demand and supply-side drivers (Source: Industry estimates). Key factors contributing to the future growth include growth of the Indian economy, increasing urbanization, increasing consumerism due to higher per capita incomes, favorable regulatory changes, incentives from the government for infrastructure investment and higher levels of outsourcing of logistics activities. On the back of these drivers, organized logistics service providers are expected to grow faster than the logistics market. Some of the key drivers for organized logistics service providers are as follows:

- Growth in the underlying economy and the resultant increase in logistics demand;
- Urbanisation and population growth leading to increased consumerism;
- Evolving customer requirements and sophistication;
- Regulatory drivers, including the introduction of GST in India;
- Increased scale of logistics service providers to match increasing customer scale; and
- Adoption and availability of affordable technology.

Select Segments of Indian Logistics Industry

Contract Logistics

Contract logistics service providers provide inbound and outbound logistics services to various manufacturing and service companies. These service providers take responsibility for transportation, warehousing and other value-added activities such as packaging, kitting, sorting, labeling, reverse logistics and consolidation, among others. The key end-user industry segments for these services are auto, retail, pharma, FMCG and CDIT, telecom, e-commerce and e-tail.

The contract logistics market in India was estimated at approximately ₹110 billion (US\$ 1.7 billion) in Fiscal 2017. Contract logistics spend has grown at a faster pace than the overall Indian logistics industry at approximately 17% annually between Fiscals 2012 and 2017 (Source: Industry estimates).

Express Logistics

Express logistics offers door-to-door delivery across domestic regions along with real-time shipment tracking facilities, and serves the need for time-sensitive logistics services for customers requiring transport of less than truck load cargo. Express logistics services customers for whom speed to market is crucial for converting sales across regions, meeting customer expectations and maintaining business competitiveness. The key consumer industries of express logistics are auto components, banking and financial services, IT components, apparel, pharmaceuticals, telecom products and e-commerce, among others.

The express logistics market in India was estimated at approximately ₹100 billion (US\$ 1.5 billion) in Fiscal 2017 and has grown at a CAGR of approximately 14% between Fiscals 2012 and 2017. Organized national players contribute to 50% of the express logistics spend (Source: Industry estimates).

Cold Chain Logistics

Cold chain is a temperature-controlled supply chain offering services, including refrigerated storage, transportation and distribution services along with associated value-added support activities. Demand for cold chain logistics services is primarily driven by bulk agricultural commodities (predominantly potato storage), consumer segments such as frozen food, dairy, confectionery, high-value fruits and vegetables, pharmaceuticals and B2B segments.

The cold chain logistics market in India was estimated at approximately ₹200 billion (US\$ 3.1 billion) of which product and processed food based segments (addressable) cold chain spend is approximately ₹33 billion (US\$ 0.5 billion) in Fiscal 2017. Organized logistics service providers contribute 40% of the addressable cold chain spend (approximately 7% of the total cold chain spend) estimated at approximately ₹13.5 billion (US\$ 0.2 billion) in Fiscal 2017. Organized cold chain logistics, has grown at a higher pace than the overall logistics industry in India at approximately 25% annually between Fiscals 2012 and 2017 (Source: Industry estimates).

Competitive Positioning

Logistics service providers primarily operate through two kinds of business models in providing services such as transportation, warehousing and other value-added services as set forth below. Risk and return profiles of both the models are fundamentally different.

- **Asset-heavy model:** The service providers own and maintain the infrastructure including the warehouses and vehicles. Operating out of owned infrastructure provides more control to the logistics service providers. Margins and ROCE (15-20%) are similar to that of infrastructure providers. Performance of asset heavy logistics service providers is dependent on the quality and availability of assets and the suitability of geography.

- Service-based model: In the asset-light model, logistic service providers use infrastructure developed by others and customize it per customer requirements to deliver logistics services. The service-based model has following key characteristics: (i) high ROCE, (ii) customer stickiness and (iii) high entry barriers.

Risks and Upsides

Logistics service providers face the following general challenges in the market:

- Foreign direct investment activity is uncertain and is dependent on global policies and market volatility;
- Regulatory changes could affect growth;
- A slowdown in the user industry could affect the volumes handled by logistics service providers;
- Quality and availability of infrastructure could impact performance;
- Intense competition and low barriers to entry in certain segments could affect logistics service providers;
- Increasing scale could be challenging;
- The express logistics industry is sensitive to high operating costs; and
- There is a need to continuously invest in and evolve technology.

The following upsides are present for logistics services providers in the next three to five years.

- Make in India: The initiative was launched in late 2014 with the objective of making India a global manufacturing hub. The initiative aims to raise the GDP contribution of manufacturing to 25% from the current 16%. It targets 25 sectors including auto, construction, electronics, oil and gas, pharma, textiles and garments, food processing, roads and highways, ports and railways, among others. The initiative is expected to provide a boost to both infrastructure for logistics service providers and end user industries (Source: Make in India website)
- Faster growth in organized retail: Organized retail is expected to grow faster between 15-20% until Fiscal 2022, driven by high-income growth, urbanization, nuclearisation and evolving buying patterns. Expansion in organized retail is expected to create the need for more and sophisticated logistics services (Source: Industry estimates).

SUMMARY OF OUR BUSINESS

We are one of India's largest organised third-party logistics service operators, according to the A&M Report. We offer automated and IT-enabled warehousing, distribution and other logistics solutions to a wide range of customers. Our service offerings, warehousing infrastructure, pan-India distribution network, "hub-and-spoke" transportation model and automated technology systems support our competitive market position. Our customers operate in various sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, fast-moving consumer goods ("FMCG"), e-commerce, healthcare, electronics and technology, home and furniture and ATMs.

We believe our business model enables us to act as a service provider that can comprehensively cover our customers' supply chain needs. We provide solutions that enable our customers to leverage our distribution network and which, we believe, optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market. We offer our customers services in three key areas:

- **Contract Logistics:** warehousing, distribution and other value-added services;
- **Express Logistics:** point-to-point, less-than truck-load, time-definite transportation services; and
- **Temperature-Controlled Logistics:** cold-chain warehousing, transportation solutions and distribution of perishable products.

Our revenue earned from our services related to contract logistics, express logistics and temperature-controlled logistics represented 69.8%, 21.7% and 6.2% of our revenue from operations in Fiscal 2017 (without adjustments for intracompany transactions between key service areas), respectively and 70.7%, 19.8% and 4.0% of our revenue from operations for the six months ended September 30, 2017 (without adjustments for intracompany transactions between key service areas), respectively.

Our distribution centres and delivery network form a supply chain system across India. As of September 30, 2017, we run our contract logistics operations through 42 distribution centres across India, covering approximately 3.84 million square feet of warehouse space and also operate 2 distribution centres of our customers, covering approximately 0.37 million square feet of warehouse space. According to the A&M Report, our distribution centre at the Multi-modal International Hub Airport at Nagpur ("MIHAN") is one of the largest and most highly automated distribution centres in India. Our distribution centre at MIHAN covers approximately 0.37 million square feet of warehousing space, housing a high-speed cross-belt sorter system, which is the first of its kind in India, with a sorting capacity of approximately 2,000 cases per hour. Our high-speed cross-belt sorter system became operational in July, 2017. We also utilise a "hub-and-spoke" distribution model comprising 14 hubs and 106 branches across India (including franchisees and 12 of which are co-located on the same premises as our hubs), covering 11,235 pin codes across 29 states and 5 union territories as of September 30, 2017. Further, during September 2017, we operated approximately 687 containerised vehicles, including 257 GPS-enabled vehicles of which 144 are refrigerated (reefer) trucks that are owned by us. We also operate 9,616 pallets as a part of our temperature-controlled logistics services.

We have adopted technology and processes throughout our offerings, including (i) a warehouse management system to track, process and manage inventory, (ii) a sortation system to allow picking of orders with accuracy, (iii) integration with customers' systems for automated inventory replenishment, (iv) GPS-enabled trucks that provide real-time visibility of shipments and (v) a mobile portal to allow our customers real-time visibility into their supply chain.

We are promoted by Future Enterprises Limited, which is promoted by Kishore Biyani. Other entities promoted by Kishore Biyani include Future Retail Limited, Future Consumer Limited and Future Lifestyle Fashions Limited (collectively, the "Future Entities"). While our business was originally established to provide supply chain and logistics solutions for our Promoter and certain of our Group Companies, we have diversified our customer base across various sectors. Our customers except our Promoter and Group Companies accounted for 30.3%, 37.5%, 50.5% and 53.5% of our revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

We have received a number of industry awards in recent years, including the Best 3PL Company of the Year at the Goa State Logistics, Supply Chain and Warehousing Leadership Awards, 2017, the awards for Best 3PL Company of the Year and for Industry Excellence in Supply Chain – FMCG at the 11th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze), ICC Supply Chain & Logistics Excellence Awards 2017 for 3PL Solutions in 2017, the award for Overall Excellence in Logistics & Supply Chain at the CII-SCALE Awards in 2016, the award for Best Cold Chain 3PL Service Provider of the Year at the Cold Chain Strategy Awards in 2017, 3PL Company of the Year in Retail and FMCG at the 10th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze) and the 3PL Award and the Industrial Retail Warehouse Award at the CII-SCALE Awards in 2015. For details regarding other awards received by our Company, please refer to the section entitled “*History and Certain Corporate Matters*” on page 139.

For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our revenue from operations was ₹3,574.15 million, ₹5,611.83 million, ₹5,198.70 million and ₹4,079.63 million, respectively, representing a CAGR of 17.3% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our net profit was ₹333.30 million, ₹457.54 million, ₹294.27 million and ₹246.57 million, respectively, representing a CAGR of 36.2% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our EBITDA was ₹561.81 million, ₹742.82 million, ₹699.40 million and ₹639.40 million, respectively, representing a CAGR of 7.8% during the last three Fiscals.

Our key strengths and strategies are as follows:

Our Strengths

- One of the largest service providers with an extensive network of facilities in a fast-growing third-party logistics market
- Comprehensive solution for supply chain requirements
- Diverse customer base across many sectors
- At the forefront in introducing new standards of technology and automation in the logistics industry in India
- Longstanding relationship with Future Entities
- Experienced management team with logistics and retail sector-specific knowledge

Our Strategies

- Capitalise on the growth of the third-party logistics industry in India
- Target growth by identifying new customers, increasing our share of existing customers’ third-party logistics spending and leveraging existing relationships
- Expand addressable market through customised and new service offerings
- Invest further in infrastructure and expand our network
- Explore inorganic growth opportunities
- Continue to improve operating efficiencies and implement technological and process enhancements

SUMMARY OF FINANCIAL INFORMATION

You should read the restated summary financial information presented below in conjunction with our Restated Financial Information.

Restated Summary of Assets and Liabilities

(₹ In million)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
ASSETS				
Non-Current Assets				
Property, Plant And Equipment	2,074.65	1,287.77	1,370.82	1,461.71
Capital Work In Progress	4.48	698.11	18.26	12.94
Intangible Assets	9.31	9.68	13.39	27.89
Financial Assets				
Investments	100.00	—	0.07	0.07
Other Financial Assets	227.26	227.25	250.92	151.75
Other Non-Current Assets	—	—	0.10	0.10
Income Tax Assets(Net)	—	8.59	89.46	79.00
Total Non-Current Assets	2,415.71	2,231.40	1,743.02	1,733.46
Current Assets				
Financial Assets				
Investments	0.07	0.07	—	—
Trade Receivables	2,501.74	2,167.07	2,211.21	1,819.14
Cash and Cash Equivalent	638.14	466.75	14.77	20.78
Bank Balances other than Cash and Cash Equivalent	3.42	3.32	4.71	4.21
Other Financial Assets	53.61	60.73	789.14	222.36
Other Current Assets	144.31	165.70	74.18	73.60
Total Current Assets	3,341.30	2,863.65	3,094.01	2,140.08
Total Assets	5,757.00	5,095.05	4,837.03	3,873.54

(₹ In million)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	391.38	391.38	391.38	391.38
Other Equity	2,869.16	2,536.71	2,081.02	1,786.39
Total Equity	3,260.55	2,928.09	2,472.40	2,177.77
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Non-Current Borrowings	276.12	735.37	442.80	136.76
Other Non-Current Financial Liabilities	17.03	19.56	19.61	15.68
Provisions	30.25	26.46	19.10	16.15
Deferred Tax Liabilities (Net)	107.96	100.93	111.82	88.93
Total Non-Current Liabilities	431.37	882.33	593.33	257.52
Current Liabilities				
Financial Liabilities				
Borrowings	520.78	—	360.16	382.91
Trade Payables	1,062.84	977.87	1,082.57	814.16
Other Current Financial Liabilities	254.99	199.05	169.17	212.18
Other Current Liabilities	128.01	106.63	156.05	26.12
Provisions	98.47	1.08	3.35	2.89
Total Current Liabilities	2,065.08	1,284.63	1,771.30	1,438.25
Total Equity And Liabilities	5,757.00	5,095.05	4,837.03	3,873.54

Restated Summary of Profit and Loss

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Income				
Revenue From Operations	3,574.15	5,611.83	5,198.70	4,079.63
Other Income	77.88	158.09	86.00	27.59
Total Income	3,652.03	5,769.92	5,284.70	4,107.22
Expenses				
Cost of Logistics Services	2,371.53	3,752.80	3,387.47	2,616.75
Employee Benefits Expense	328.20	565.47	543.77	438.58
Depreciation and Amortization Expense	102.03	191.40	206.87	195.15
Finance Costs	43.30	127.59	132.61	103.30
Other Expenses	312.61	550.75	568.06	384.90
Total Expense	3,157.66	5,188.01	4,838.78	3,738.68
Profit before exceptional items and tax	494.37	581.92	445.93	368.54
Less : Exceptional items	—	—	—	2.84
Profit before Tax	494.37	581.92	445.93	365.70
Income Tax Expense				
(1) Current Tax	154.04	135.26	128.76	68.98
(2) MAT Credit Entitlement	—	—	—	22.02
(3) Deferred Tax (Assets)/Liabilities	7.03	(10.88)	22.89	72.17
	161.07	124.38	151.65	119.13
Profit for the period	333.30	457.54	294.27	246.57
Other Comprehensive Income				
Items that will not be reclassified subsequently to (profit) or loss				
(i) Re-measurement of the defined benefit Plan	1.30	2.83	(1.01)	(0.75)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.45)	(0.98)	0.35	0.26
Total other comprehensive income, net of tax	0.85	1.85	(0.66)	(0.49)
Total Comprehensive Income for the period	332.45	455.69	294.94	247.06
Earnings Per Equity Share (Face Value Rs. 10/- each)				
Basic	8.52	11.69	7.52	6.30
Diluted	8.32	11.24	7.34	6.30

Basic and Diluted EPS has been arrived at using Profit for the year before Other Comprehensive Income.

Restated Summary of Cash Flow

(₹ In million)

	Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit Before Tax and Exceptional Items	494.37	581.92	445.93	368.54
	Adjusted For:				
	Depreciation And Amortization Expense	102.03	191.40	206.87	195.15
	Finance Costs	43.30	127.59	132.61	103.30
	Provision for Doubtful Debts	19.67	5.69	14.38	5.36
	Profit on sale of Fixed Assets	(41.17)	(1.09)	—	—
	Excess Provision Written Back	—	(7.52)	—	—
	Loss on discard of assets	—	—	—	0.10
	Interest Income	(31.67)	(144.44)	(81.46)	(24.22)
	Operating Profit Before Working Capital Changes	586.52	753.55	718.32	648.22
	Adjusted For:				
	Trade Receivable	(354.33)	38.45	(406.45)	(388.77)
	Loans & Advances and Other Assets	36.99	742.92	(677.49)	62.74
	Trade Payables, Other Liabilities and Provisions	289.02	(474.67)	340.64	165.05
B	Cash Generated From Operations	558.20	1,060.25	(24.99)	487.25
	Taxes Paid (Net)	(153.59)	(134.28)	(129.11)	(47.22)
	Net Cash From Operating Activities	404.60	925.97	(154.10)	440.03
	Cash Flow From Investing Activities				
	Purchase Of Property, Plant & Equipment and Intangible Assets	(253.74)	(788.18)	(377.72)	(197.11)
	Sale Of Property, Plant & Equipment and Intangible Assets	100.00	4.77	270.93	(2.49)
	Sale/(Purchase) Of Investments	(100.00)	—	—	—
	Interest Received	31.67	144.44	81.46	24.22
	Net Cash Used In Investing Activities	(222.07)	(638.97)	(25.33)	(175.38)
	Cash Flow From Financing Activities				
	Adjustment pursuant to Scheme of Amalgamation and Arrangement	—	—	—	(53.23)
	Proceeds From Long Term Loan	32.16	292.57	306.04	(110.16)
	Interest Paid	(43.30)	(127.59)	(132.61)	(103.30)
	Net Cash Provided By Financing Activities	(11.14)	164.98	173.43	(266.69)
C	Net (Decrease)/Increase In Cash And Cash Equivalents (A+B+C)	171.39	451.98	(6.01)	(2.04)
	Cash and Cash Equivalents (Opening Balance)	466.75	14.77	20.78	22.81
	Cash and Cash Equivalents (Closing Balance)	638.14	466.75	14.77	20.78

Restated Summary of Assets and Liabilities

(₹ in million)		
PARTICULARS	As March 31st, 2014	As March 31st, 2013
EQUITY AND LIABILITIES		
Shareholders' Funds		
a. Share capital	391.38	391.38
b. Reserves and surplus	1,618.70	1,576.42
Non-current liabilities		
a. Long Term Borrowings	248.62	328.80
b. Deferred Tax Liabilities (net)	16.76	10.49
c. Other Long-term Liabilities	14.02	11.07
d. Long-Term Provisions	13.69	11.82
Current liabilities		
a. Short-Term Borrowings	382.63	317.55
b. Trade Payables	697.43	727.05
c. Other Current Liabilities	191.03	300.71
d. Short-term Provisions	2.43	2.16
Total	3,576.70	3,677.46
ASSETS		
Non-current assets		
a. Fixed Assets		
i. Tangible Assets	1,396.94	1,630.56
ii. Intangible Assets	41.26	58.28
iii. Capital Work-in- progress	89.27	12.53
b. Non-current Investments	0.50	0.00
c. Long term Loans and Advances	276.47	252.37
d. Other Non-Current Assets	0.00	0.10
Current Assets		
a. Trade Receivables	1,460.03	1,647.42
b. Cash and Bank Balances	24.16	32.77
c. Short-term Loans and Advances	204.77	43.39
d. Other current assets	83.31	0.04
Total	3,576.70	3,677.46

Restated Summary of Profit and Loss

		(₹ in million)	
	PARTICULARS	For the year ended	
		March 31, 2014	March 31, 2013
1	Revenue From Operations	3,301.60	3,535.63
2	Other Income	30.37	5.03
3	Total Revenue (1 + 2)	3,331.97	3,540.66
4	Expenses		
	Cost of Logistics	2,221.58	2,471.00
	Employee benefits expense	441.09	453.42
	Finance Cost	109.00	103.05
	Depreciation and amortisation expense	132.39	138.68
	Other expenses	359.09	371.20
	Total expenses	3,263.15	3,537.35
5	Profit before exceptional items and tax (3 - 4)	68.82	3.31
6	Exceptional items	20.28	28.00
7	Profit before Tax (5 - 6)	48.54	(24.69)
8	Tax expense:		
	Current tax	4.11	1.12
	Less: MAT Credit Entitlement	4.11	1.12
	Deferred tax	6.27	17.07
	Total tax expense	6.27	17.07
9	Net Profit after Tax (7 - 8)	42.28	(41.76)
12	Earnings per equity share (EPS) face value of ₹ 10/- each)		
	Basic and Diluted EPS (₹)	1.08	(1.07)

Basic and Diluted EPS has been arrived at using Net Profit after Tax.

Restated Summary of Cash Flows

(₹ in million)

PARTICULARS	For the year ended	
	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and exceptional items	68.82	3.31
Adjustments for non-cash and non-operating items:		
Add: Depreciation and amortisation expense	132.39	138.68
Reversal of Provision for doubtful advance of subsidiary	27.50	0.00
Loss on discard of assets	9.41	0.00
Provision for doubtful debts	6.45	2.56
Interest income	(19.16)	(0.40)
Interest expense	109.00	103.05
Operating profit before working capital changes	334.40	247.19
Changes in Working Capital		
Increase/(Decrease) in Trade Payables	(29.62)	160.82
Increase/(Decrease) in Other Current Liabilities	(39.50)	362.48
(Increase)/Decrease in Trade Receivables	180.95	(325.57)
(Increase)/Decrease in Other Assets	(235.71)	82.82
CASH GENERATED FROM OPERATIONS	210.52	527.74
Direct Taxes Paid	(33.03)	(22.51)
A. Net Cash generated from operations	177.49	505.23
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Advances for Capital Goods	(99.48)	(293.51)
Insurance Claim on Fire	83.29	0.00
Interest income	19.16	0.40
B. Net Cash used in Investing Activities	2.98	-293.11
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital		
Proceeds from Long Term Borrowing	(80.18)	(106.50)
Interest expense	(109.00)	(103.05)
C. Net Cash used in Financing Activities	(189.18)	(209.55)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(8.71)	2.57
Cash and Cash Equivalents at the beginning of the year	31.52	28.95
Cash and Cash Equivalents at the end of the year	22.81	31.52

THE OFFER

The following table summarizes the Offer details:

Offer ⁽¹⁾	Up to 9,784,570 Equity Shares aggregating up to ₹ [●] million
QIB Portion ^{(2) (3)}	Not more than 4,892,284 Equity Shares
<i>of which</i>	
Anchor Investor Portion	2,935,370 Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	1,956,914 Equity Shares
<i>of which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion)) ⁽⁴⁾	97,846 Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	1,859,068 Equity Shares
Non-Institutional Portion ⁽²⁾	Not less than 1,467,686 Equity Shares
Retail Portion ⁽²⁾	Not less than 3,424,600 Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	40,056,238 Equity Shares
Equity Shares outstanding after the Offer	40,056,238 Equity Shares

Allocation to Bidders in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids, being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, please see the section entitled “Offer Procedure” on page 358.

- (1) Offer for Sale of up to 7,827,656 Equity Shares by the Investor Selling Shareholder and 1,956,914 Equity Shares by the Promoter Selling Shareholder has been authorised through consent letters each dated August 23, 2017, and a resolution of their board of directors dated August 18, 2017 and August 7, 2017, respectively. The Equity Shares being offered for sale by the Investor Selling Shareholder and the Promoter Selling Shareholder, respectively, in the Offer have been held for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus and accordingly, are eligible for being offered for sale in this Offer.
- (2) Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Selling Shareholders and the Lead Managers and the Designated Stock Exchange. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.
- (3) Our Company may, in consultation with the Selling Shareholders and the Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For details, please see the section entitled “Offer Procedure” on page 358.
- (4) Subject to valid Bids being received at, or above, the Offer Price.

GENERAL INFORMATION

Our Company was incorporated as Future Logistic Solutions Limited on March 8, 2006, at Mumbai, Maharashtra as a public limited company, under the Companies Act, 1956 and received a certificate of commencement of business dated March 31, 2006. Subsequently, the name of our Company was changed to Future Supply Chain Solutions Limited, and a fresh certificate of incorporation consequent to the change of name was issued by the RoC dated October 23, 2009. For further details, please see the section entitled “*History and Certain Corporate Matters*” on page 139.

For details of the business of our Company, please see the section entitled “*Our Business*” on page 119.

Registered Office

Knowledge House
Shyam Nagar
Jogeshwari-Vikhroli Link Road
Jogeshwari (East)
Mumbai 400 060
Tel: +91 22 6644 2200
Fax: +91 22 6644 2201
E-mail: investorrelations@futuresupplychains.com
Website: www.futuresupplychains.com
Corporate Identity Number: U63030MH2006PLC160376
Registration Number: 160376

Corporate Office

7th Floor, 349 Business Point
Western Express Highway
Andheri (East)
Mumbai 400 069
Tel: +91 22 7142 9100

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest
Marine Drive
Mumbai 400 002

Board of Directors

The Board of Directors of our Company comprises the following persons:

Name	Designation	DIN	Address
Rakesh Biyani	Chairman and Non-Executive Director	00005806	Flat No B. 1903, Vivarea Building, Sane Guruji Marg, Jacob Circle, Mahalaxmi, Mumbai 400 011
Mayur Toshniwal	Managing Director and Chief Executive Officer	01655776	322-B, Hamilton Court, DLF Phase IV, Gurugram 122 009
Chandra Prakash Toshniwal	Non-Executive Director	00036303	A-407/408, A-Wing, Oberoi Splendor, Jogeshwari-Vikhroli Link Road, Andheri (East), Mumbai 400 060
Shyam Maheshwari	Nominee, Non-Executive Director	01744054	9B, Bechulal Road, Flat 3A, Building 4, Satyam Complex, Kolkata 700 046

Name	Designation	DIN	Address
Janat Shah	Independent Director	01625535	203, Lehar Apartment, Bhupalpura, Girwa, Udaipur 313 001
Bala Deshpande	Independent Director	00020130	Flat No. 2, Sanghi Residency, Palkhi Gully, Off Cadell Road, Prabhadevi, Mumbai 400 025
Amar Sapra	Independent Director	05178849	D-603, Ajmera Green Acres, Bannerghatta Road, Kalena Agrahara, Bengaluru 560 076
Rahul Garg	Independent Director	06939695	A-503, UKN Esperanza, Tubarahalli, Varthur Road, Whitefield, Bangalore 560 066

For further details in relation to our Directors, please see the section entitled “*Our Management – Board of Directors*” on page 146.

Company Secretary and Compliance Officer

Vimal K. Dhruve is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Vimal K. Dhruve
Knowledge House
Shyam Nagar
Jogeshwari-Vikhroli Link Road
Jogeshwari (East)
Mumbai 400 060
Tel: +91 22 6644 2200
Fax: +91 22 6644 2201
E-mail: investorrelations@futuresupplychains.com

Chief Financial Officer

Kailash Chand Sharma is the Chief Financial Officer of our Company. His contact details are as follows:

Kailash Chand Sharma
7th Floor, 349 Business Point
Western Express Highway
Andheri (East)
Mumbai 400 069
Tel: +91 22 7142 9100
E-mail: ks.sharma@futuregroup.in

Investor Grievance

Bidders may contact our Company Secretary and Compliance Officer, the Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related issues, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned above.

Global Co-ordinators and Book Running Lead Managers

Edelweiss Financial Services Limited

14th Floor, Edelweiss House
Off. C.S.T. Road, Kalina
Mumbai 400 098
Tel: +91 22 4009 4400
Fax: +91 22 4086 3610
E-mail: fsc.ipo@edelweissfin.com
Investor Grievance E-mail:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Kunal Malkan
SEBI Registration No.: INM0000010650

CLSA India Private Limited

8/F Dalamal House
Nariman Point
Mumbai 400 021
Tel: +91 22 6650 5050
Fax: +91 22 2284 0271
E-mail: fsc.ipo@citicclsa.com
Investor Grievance E-Mail:
investor.helpdesk@clsa.com
Website: www.india.clsa.com
Contact Persons: Ankur Garg and Sarfaraz Agboatwala
SEBI Registration No.: INM000010619

Nomura Financial Advisory & Securities (India) Private Limited

Ceejay House, Level 11, Plot F
Shivsagar Estate, Dr. Annie Besant Road, Worli
Mumbai 400 018
Tel: +91 22 4037 4037
Fax: +91 22 4037 4111
E-mail: fscipo@nomura.com
Investor Grievance E-mail: investorgrievances-in@nomura.com
Website: www.nomuraholdings.com/company/group/asia/india/index.html
Contact Persons: Srishti Tyagi and Manish Agarwal
SEBI Registration No.: INM000011419

Book Running Lead Managers

IDFC Bank Limited

Naman Chambers, C-32, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel: +91 22 6622 2600
Fax: +91 22 6622 2501
E-mail: fsc.ipo@idfcbank.com
Investor Grievance E-mail: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact Person: Akshay Bhandari
SEBI Registration No.: MB/INM000012250

IIFL Holdings Limited*

10th Floor, IIFL Centre, Kamala City
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Tel: +91 22 4646 4600
Fax: +91 22 2493 1073
E-mail: fsc.ipo@iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Persons: Pinkesh Soni and Anant Gupta
SEBI Registration No.: INM000010940

**In compliance with the proviso to Regulation 21A(1) of the SEBI Merchant Bankers Regulations, read with the proviso to Regulation 5(3) of the SEBI ICDR Regulations, IIFL Holdings Limited will be involved only in marketing of the Offer.*

YES Securities (India) Limited

IFC, Tower 1&2, Unit No. 602 A, 6th floor
Senapati Bapat Marg, Elphinstone (West)
Mumbai 400 013
Tel: +91 22 7100 9829
Fax: +91 22 2421 4508
E-mail: fscl.ipo@yessecuritiesltd.in
Investor Grievance E-mail: igc@yessecuritiesltd.in
Website: www.yesinvest.in
Contact Person: Mukesh Garg
SEBI Registration No.: INM000012227

Syndicate Members

Edelweiss Securities Limited

2nd Floor, M.B. Towers
Plot No. 5, Road No. 2
Banjara Hills
Hyderabad 500 034
Tel: +91 22 4063 5569
Fax: +91 22 6747 1347
E-mail: fsc.ipo@edelweissfin.com
Investor Grievance E-mail:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.in
Contact Person: Prakash Boricha
SEBI Registration No.: INB011193332,
INB231193310, INB261193396

India Infoline Limited

IIFL Centre, Kamala City
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Tel: +91 22 4249 9000
Fax: +91 22 2495 4313
E-mail: cs@indiainfoline.com
Investor Grievance E-mail:
customergrievance@indiainfoline.com
Website: www.infoline.in
Contact Person: Prasad Umarale
SEBI Registration No.: INB231097537,
INB011097533

IDFC Securities Limited

Naman Chambers, C-32, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: +91 22 6622 2585
Fax: +91 22 6622 2504
E-mail: idfcsec.ie@idfc.com
Investor Grievance E-mail:
investorgrievance@idfc.com
Website: www.idfccapital.com
Contact Person: Amit Gangnaik
SEBI Registration No.: INB231291437,
INB011291433

Sharekhan Limited

10th Floor, Beta Building, Lodha iThink Techno
Campus
Off Jogeshwari-Vikhroli Link Road
Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai 400 042
Tel: +91 22 6115 0000
Fax: +91 22 6748 1899
E-mail: ipo@sharekhan.com
Investor Grievance E-mail:
myaccount@sharekhan.com
Website: www.sharekhan.com
Contact Person: Pravin Darji and Mehul Koradia
SEBI Registration No.: INB011073351,
INB231073330

Indian Legal Counsel to the Company and the Promoter Selling Shareholder

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpat Kadam Marg
Lower Parel
Mumbai 400 013
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

Indian Legal Counsel to the Lead Managers

Khaitan & Co

Simal, 2nd Floor
7/1 Ulsoor Road
Bengaluru 560 042
Tel: +91 80 4339 7000
Fax: +91 80 2559 7452

International Legal Counsel to the Lead Managers

Latham & Watkins LLP

9 Raffles Place
#42-02 Republic Plaza
Singapore 048 619
Tel: +65 6536 1161
Fax: +65 6536 1171

Indian Legal Counsel to the Investor Selling Shareholder

Trilegal

Peninsula Business Park
17th Floor, Tower B
Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Tel: +91 22 4079 1000
Fax: +91 22 4079 1098

Statutory Auditors to our Company

NGS & Co LLP

B/46, Pravasi Industrial Estate
V. N. Road, Goregaon (East)
Mumbai 400 063
Tel: +91 22 4217 3338 / 40
Fax: –
E-mail: ashok@ngsco.in; ratnaprabha@ngsco.in
Firm Registration No.: 119850W

Registrar to the Offer

Link Intime India Private Limited

C-101, 247 Park
L B S Marg
Vikhroli West
Mumbai 400 083
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
E-mail: futuresupply.ipo@linkintime.co.in
Investor Grievance e-mail: futuresupply.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to our Company

Kotak Mahindra Bank Limited

27 BKC, Plot No. C-27
G Block, Bandra Kurla Complex
Bandra East
Mumbai 400 051
Tel: +91 22 6166 0275
Fax: +91 22 6713 2416
E-mail: sesomum2@kotak.com
Website: www.kotak.com
Contact Person: Milap Banerjee

IDFC Bank Limited

Naman Chambers, C-32
G-Block, Bandra Kurla Complex
Bandra East
Mumbai 400 051
Tel: + 91 22 4242 3246
Fax: +91 22 6622 2506
E-mail: narayanan.kv@idfcbank.com
Website: www.idfcbank.com
Contact Person: K. V. Narayanan

State Bank of India

Commercial Branch, NGN Vaidya Marg
Horniman Circle, Fort
Mumbai 400 001
Tel: +91 22 2266 2205
Fax: +91 22 2266 3661
E-mail: k.mukherjee@sbi.co.in
Website: bank.sbi
Contact Person: Kaushik Mukherjee

Escrow Collection Bank, Public Offer Bank and Refund Bank**Yes Bank Limited**

DL BTI Services Team, 8th Floor,
Tower 2, Indiabulls Finance Center,
Senapati Bapat Marg, Elphinstone Road,
Mumbai 400 018
Tel: +91 22 3347 7259/60/61
Fax: +91 22 2497 4975
E-mail: dlbtiservices@yesbank.in
Website: www.yesbank.in
Contact Person: Shankar Vichare/Sachin Shinde
SEBI Registration No.: INBI00000935

Designated Intermediaries**SCSBs**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time. For a list of branches of SCSBs named by the respective SCSBs to receive ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

RTAs

The list of the RTAs eligible to accept the Bid cum Application Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

CDPs

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated November 15, 2017 from the Auditors to include their name as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to the examination report of the Auditors dated November 14, 2017 on the Restated Financial Statements of our Company and the statement of tax benefits dated November 15, 2017, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 12, 2017 from Kewal Chand Jain & Company, valuer and chartered engineer, to include their name as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to certain architectural, technical specifications and key performance indicators on distribution centers operated by the Company, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated November 9, 2017 from R Jangir & Co., Chartered Accountants to include their name as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to certain operational data relating to our business, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Appraising Entity

No appraising agency has been appointed in respect of any project of our Company.

Inter-se Allocation of Responsibilities

The following table provides the inter-se allocation of responsibilities for various activities among the Lead Managers for the Offer:

Sr. No.	Activity	Responsibility*	Co-ordinating Lead Manager
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	Lead Managers	Edelweiss
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing, follow up and coordination until receipt of final approval from all regulatory authorities	Lead Managers	Edelweiss
3.	Drafting and approval of all statutory advertisement	Lead Managers	Edelweiss
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including media	Lead Managers	Edelweiss

Sr. No.	Activity	Responsibility*	Co-ordinating Lead Manager
	monitoring & finalization & submission of media compliance report, corporate advertisement, brochure etc.		
5.	Appointment of other intermediaries viz., Registrar, Printers, Advertising Agency and Escrow Collection Bank, Public Offer Bank and Refund Bank	Lead Managers	Edelweiss
6.	Preparation of road show presentation & FAQs	Lead Managers	CLSA
7.	International institutional marketing strategy <ul style="list-style-type: none"> • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedules 	Lead Managers	CLSA
8.	Domestic institutions / banks / mutual funds marketing strategy <ul style="list-style-type: none"> • Finalize the list and division of investors for one to one meetings, in consultation with the Company and Selling Shareholders • Finalizing domestic roadshow schedule and investor meeting schedules 	Lead Managers	Edelweiss
9.	Non-Institutional marketing of the Offer, which will cover, inter alia, <ul style="list-style-type: none"> • Formulating marketing strategies for Non-institutional Investors • Finalize Media and PR strategy 	Lead Managers	Edelweiss
10.	Retail marketing of the Offer, which will cover, inter alia, <ul style="list-style-type: none"> • Formulating marketing strategies, preparation of publicity budget • Finalize Media and PR strategy • Finalizing centers for holding conferences for press and brokers • Finalizing collection centres • Finalizing and follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material 	Lead Managers	Edelweiss
11.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading, payment of 1% security deposit through cash and bank guarantee, Anchor Investor Allocation letters etc.	Lead Managers	Edelweiss
12.	Finalization of pricing and managing the book in consultation with the Company and the Selling Shareholders	Lead Managers	CLSA

Sr. No.	Activity	Responsibility*	Co-ordinating Lead Manager
13.	Post-Bidding activities – managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, demat credit and refunds / unblocking of funds announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit	Lead Managers	YES Securities

**In compliance with the proviso to Regulation 21A(1) of the SEBI Merchant Bankers Regulations, read with the proviso to Regulation 5(3) of the SEBI ICDR Regulations, IIFL Holdings Limited will be involved only in marketing of the Offer.*

Credit Rating

As this is an offer of Equity Shares, there is no credit rating required for the Offer.

Trustees

The Offer being an offer for sale of the Equity Shares, the appointment of trustees is not required.

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the Selling Shareholders and the Lead Managers, and advertised in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta and the Mumbai edition of the Marathi newspaper, Navshakti (Marathi being the regional language of Maharashtra where our registered office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date. The Offer Price shall be determined by our Company, in consultation with the Selling Shareholders and the Lead Managers after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, can participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

For further details on the method and procedure for Bidding, please see the sections entitled “Offer Structure” and “Offer Procedure” on pages 356 and 358, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, please see the sections entitled “Offer Procedure – Part B – Basis of Allocation – Illustration of Book Building Process and Price Discovery Process” on page 389.

Underwriting Agreement

After the determination of the Offer Price and prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name of the Underwriter	Address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹in millions)
[●]	[●]	[●]	[●]

The above mentioned discloses indicative underwriting commitment and actual underwriting devolvement will be finalised after actual allocation, in accordance with the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors or our Committee of Directors, at its meeting held on [●], has approved and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment provided in the table above in accordance with the terms of the Underwriting Agreement.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is provided below:

<i>(In ₹ except share data)</i>			
Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price
A.	AUTHORIZED SHARE CAPITAL		
	50,000,000 Equity Shares ⁽¹⁾	500,000,000	
B.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER AND THE CONVERSION OF CCDs		
	39,138,283 Equity Shares	391,382,830	
C.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE CONVERSION OF CCDs		
	40,056,238 Equity Shares ⁽²⁾	400,562,380	
D.	PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS		
	Offer of up to 9,784,570 Equity Shares ⁽³⁾	97,845,700	[●]
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		2,140,332,198
	After the Offer		[●]
F.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	40,056,238 Equity Shares*	400,562,380	

* Assuming full subscription in the Offer.

- (1) For details in relation to changes in the authorized share capital of our Company, please see “History and Certain Corporate Matters” on page 139.
- (2) The CCDs with an aggregate face value of ₹ 550.00 million have been converted into 917,955 Equity Shares pursuant to a resolutions of the Board dated November 14, 2017, prior to registration of this Red Herring Prospectus with the RoC in accordance with Regulation 26(5) of the SEBI ICDR Regulations.
- (3) For details of authorizations received for the Offer for Sale, please see the section entitled “The Offer” on page 58.

Notes to the Capital Structure

1. Equity Share Capital History of our Company

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

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share capital (₹)
March 8, 2006	50,000	10	10	Cash	Initial subscription to the Memorandum of Association ⁽¹⁾	50,000	500,000
February 21, 2008	19,950,000	10	10	Cash	Rights Issue ⁽²⁾	20,000,000	200,000,000
January 23, 2009	4,500,000	10	10	Cash	Preferential Allotment ⁽³⁾	24,500,000	245,000,000
January 23, 2009	500,000	10	10	Cash	Preferential Allotment ⁽³⁾	25,000,000	250,000,000
June 5, 2009	1,000,000	10	10	Cash	Preferential Allotment ⁽⁴⁾	26,000,000	260,000,000
August 27, 2009	2,962,962	10	135	Cash	Preferential Allotment ⁽⁵⁾	28,962,962	289,629,620
June 9, 2011	3,683,241	10	135.75	Cash	Conversion of CCDs ⁽⁶⁾	32,646,203	326,462,030
June 9, 2011	6,492,080	10	135.75	Cash	Preferential Allotment ⁽⁷⁾	39,138,283	391,382,830
November 14, 2017	917,955	10	599.16	Cash	Conversion of GTI CCDs ⁽⁸⁾	40,056,238	400,562,380

(1) 49,994 Equity Shares were allotted to FEL and one Equity Share each was allotted to FEL jointly with each of Kishore Biyani, Chandra Prakash Toshniwal, Krishan Kant Rathi, Shiraj Dej, Rajesh Kalyani, and Vinay Shroff.

(2) 19,950,000 Equity Shares were allotted to FEL pursuant to a rights issue in the ratio 399:1.

(3) 4,500,000 Equity Shares were allotted to FEL and 500,000 Equity Shares were allotted to Pantaloon Employees Welfare Trust, acting through its trustee, IL&FS Trust Company Limited.

(4) 1,000,000 Equity Shares were allotted to Anshuman Singh, jointly with Nidhi Singh.

(5) 2,962,962 Equity Shares were allotted to FEL.

(6) 3,683,241 Equity Shares were allotted to SKC 1 Limited pursuant to conversion of 5,000,000 compulsory convertible debentures issued to SKC 1 Limited.

(7) 6,492,080 Equity Shares were allotted to SKC 1 Limited.

(8) 917,955 Equity Shares were allotted to GTI.

2. Compulsorily Convertible Debentures History by our Company

The history of CCDs of our Company is provided in the table below:

Date of allotment of CCDs	Name of the allottee	Nature/ Reason for allotment	Number of CCDs	Face value (₹)	Issue Price (₹)	Cumulative number of CCDs	Cumulative amount (₹)
July 7, 2015	GTI	Preferential Allotment	55,000	10,000	10,000	55,000	550,000,000

The CCDs have been converted into 917,955 Equity Shares pursuant to a resolution of the Board dated November 14, 2017, prior to filing of this Red Herring Prospectus with RoC in accordance with Regulation 26(5) of the SEBI ICDR Regulations.

3. Issue of Equity Shares at Price Lower than the Offer Price in the Last Year

Except as stated below, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Red Herring Prospectus:

Name of Allottee	No. of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reasons
GTI	917,955	10	599.16	Conversion of CCDs with an aggregate face value of ₹550.00 million

4. Issue of Equity Shares in the Last Two Years

Except the Equity Shares issued to GTI, pursuant to the conversion of CCDs with an aggregate face value of ₹550.00 million, our Company has not issued any Equity Shares in the two immediately preceding years.

5. Issue of Equity Shares out of Revaluation Reserves or for consideration other than Cash

- Our Company has not issued any Equity Shares or preference shares, including any bonus shares, out of revaluation of reserves at any time since incorporation.
- Our Company has not issued Equity Shares for consideration other than cash.

6. History of the Equity Share Capital held by our Promoter

As on the date of this Red Herring Prospectus, FEL holds 22,472,831 Equity Shares, equivalent to 56.10% of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of the Equity Shareholding of FEL since incorporation of our Company is provided in the table below:

Name of Promoter	Date of allotment / Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%) [*]
FEL	March 8, 2006	Subscription to the Memorandum of Association ⁽¹⁾	50,000	Cash	10	10	0.12	0.12
	February 21, 2008	Rights Issue ⁽²⁾	19,950,000	Cash	10	10	49.80	49.80
	January 23, 2009	Preferential Allotment	4,500,000	Cash	10	10	11.23	11.23
	August 27, 2009	Preferential Allotment	2,962,962	Cash	10	135	7.40	7.40
	June 30, 2016	Transfer of Equity Shares to Griffin	(4,990, 131)	Cash	10	370.48	(12.46)	(12.46)
Total			22,472,831				56.10	56.10

^{*}Assuming full subscription in the Offer.

(1) Prior to June 27, 2017, FEL jointly held one Equity Share each with Kishore Biyani, Chandra Prakash Toshniwal, Vimal K. Dhruve, Sanjay Rathi, Rajesh Kalyani and Subodh More which stands transferred to FEL.

(2) 19,950,000 Equity Shares were allotted to FEL pursuant to a rights issue in the ratio 399:1.

- All the Equity Shares held by FEL were fully paid-up on the respective dates of acquisition of such Equity Shares.
- Except as disclosed in this Red Herring Prospectus, FEL has not undertaken any sale of Equity Shares of our Company since incorporation.
- As on the date of this Red Herring Prospectus, FEL has not pledged any of the Equity Shares that it holds in our Company.
- The details of the Equity Shareholding of FEL and the members of the Promoter Group as on the date of filing of this Red Herring Prospectus are provided in the table below:

Sr. No.	Name of the Shareholder	Pre- Offer		Post- Offer	
		No. of Equity Shares	Percentage of total Equity Shareholding	No. of Equity Shares	Percentage of total Equity Shareholding *
Promoter					
1.	FEL ⁽¹⁾	22,472,831	56.10	20,515,917	51.22
	Total (A)	22,472,831	56.10	20,515,917	51.22
Promoter Group					
1.	Kishore Biyani	100	0.0002	100	0.0002
2.	Vijay Biyani	100	0.0002	100	0.0002
3.	Future Retail Limited	100	0.0002	100	0.0002
4.	Suhani Trading and Investments Consultants ⁽²⁾	499,700	1.25	499,700	1.25
	Total (B)	500,000	1.25	500,000	1.25
	Total (A+B)	22,972,831	57.35	21,015,917	52.47

*Assuming full subscription to the Offer

- (1) Prior to June 27, 2017, FEL jointly held one Equity Share each with Kishore Biyani, Chandra Prakash Toshniwal, Vimal K. Dhruve, Sanjay Rathi, Rajesh Kalyani and Subodh More.
- (2) Pursuant to a scheme of amalgamation of Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Private Limited, ESES Commercials Private Limited, Gargi Business Ventures Private Limited and Weavette Business Ventures Limited amalgamated with Suhani Trading and Investment Consultants (the “Scheme”), Equity Shares have been transferred to Suhani Trading and Investments Consultants, subject to completion of certain corporate actions.

7. Shareholding of directors of our Promoter in our Company

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer*	
		No. of Equity Shares	% of total Equity Share-holding	No. of Equity Shares	% of total Equity Share-holding
1.	Kishore Biyani	100	0.0002	100	0.0002
2.	Vijay Biyani	100	0.0002	100	0.0002
	Total	200	0.0004	200	0.0004

*Assuming full subscription to the Offer

8. Details of Promoter’s contribution and lock-in

- (i) Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoter shall be locked-in for a period of three years as minimum promoter’s contribution from the date of Allotment, and the Promoter’s shareholding in

excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

- (ii) Details of the Equity Shares to be locked-in for three years as minimum Promoter's contribution are provided in the table below:

Date of allotment of the Equity Shares	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in ⁽¹⁾	Percentage of the post- Offer paid-up capital (%) ⁽¹⁾	Source of funds
February 21, 2008	February 21, 2008	Allotment	19,950,000	10	10	8,011,248	20	Cash
Total						8,011,248	20	

(1) Subject to finalisation of the Basis of Allotment

- (iii) The Promoter has confirmed that the Promoter's contribution has been financed from its internal accruals and no loans or financial assistance from any bank or financial institutions have been availed by it for this purpose.
- (iv) The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In this connection, we confirm the following:
- The Equity Shares offered for Promoter's contribution do not include (a) Equity Shares acquired in the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) bonus Equity Shares out of revaluation reserves or unrealised profits of our Company or bonus Equity Shares issued against Equity Shares, which are otherwise ineligible for computation of Promoter's contribution;
 - The Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
 - Our Company has not been formed by the conversion of a partnership firm into a company; and
 - The Equity Shares forming part of the Promoter's contribution are not subject to any pledge.

9. Other lock-in requirements

- (i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoter and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company, other than (a) the Equity Shares being offered in the Offer for Sale; (b) the Equity Shares, if any, held pursuant to allotment to employees of the Company under ESOP 2017; and (c) any unsubscribed portion of the Offer for Sale by the Selling Shareholders, will be locked-in for a period of one year from the date of Allotment. Further, the Equity Shares held by Edelweiss Crossover Opportunities Fund, which is a Category II AIFs will be locked-in for a period of one year from the date of purchase of such Equity Shares.
- (ii) The Equity Shares held by the Promoter, which are locked-in may be transferred to and among the members of the Promoter Group or to any new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.
- (iii) Pursuant to Regulation 39(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or

public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- (iv) The Equity Shares held by persons other than the Promoter and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.
- (v) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

10. Build-up of Equity Shares held by Selling Shareholders in our Company

The build-up of the Equity Shares held by the Investor Selling Shareholder in our Company is provided in the table below:

Name of Selling Shareholder	Date of Allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%) [*]
Griffin	June 29, 2016	Transfer of Equity Shares from SKC 1 Limited	10,175,321	Cash	10	306.62	25.40	25.40
	June 30, 2016	Transfer of Equity Shares from FEL, Anshuman Singh and Nidhi Singh	5,479,360	Cash	10	370.48	13.68	13.68
	November 17, 2017	Transfer to Edelweiss Crossover Opportunities Fund and EW Clover Scheme	(1,963,550)	Cash	10	636.60	(4.90)	(4.90)
Total			13,691,131				34.18	34.18

For details in relation to the build-up of Equity Shares of the Promoter Selling Shareholder, please see the section entitled “Our Promoter and Promoter Group” on page 162.

Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. 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 No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Equity Shares underlying convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	No. of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	5	22,972,831	-	-	22,972,831	57.35	22,972,831	22,972,831	57.35	-	-	-	-	-	-	22,972,831
(B)	Public	5	17,083,407	-	-	17,083,407	42.65	17,083,407	17,083,407	42.65	-	-	-	-	-	-	17,083,407
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	10	40,056,238	-	-	40,056,238	100	40,056,238	40,056,238	100	-	-	-	-	-	-	40,056,238

*

11. Details of Equity Shareholding of the 10 largest Equity Shareholders of our Company

The 10 largest Equity Shareholders and the number of Equity Shares held by them:

- As on the date of filing of this Red Herring Prospectus and 10 days prior to the date of filing of this Red Herring Prospectus is provided in the table below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	FEL	22,472,831	56.10
2.	Griffin Partners Limited	13,691,131	34.18
3.	Edelweiss Crossover Opportunities Fund	1,570,845	3.92
4.	GTI	917,955	2.29
5.	Anshuman Singh and Nidhi Singh	510,771	1.28
6.	Suhani Trading and Investments Consultants ⁽¹⁾	499,700	1.25
7.	EW Clover Fund	392,705	0.98
8.	Future Retail Limited	100	0.0002
9.	Kishore Biyani	100	0.0002
10.	Vijay Biyani	100	0.0002
	Total	40,056,238	100

(1) Pursuant to a scheme of amalgamation of Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Private Limited, ESES Commercials Private Limited, Gargi Business Ventures Private Limited and Weavette Business Ventures Limited amalgamated with Suhani Trading and Investment Consultants Private Limited (the “Scheme”), Equity Shares have been transferred to Suhani Trading and Investments Consultants, subject to completion of certain corporate actions.

- Two years prior to the date of filing of this Red Herring Prospectus is provided in the table below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre- Offer Capital (%)
1.	FEL ⁽¹⁾	27,462,962	70.17
2.	SKC 1 Limited	10,175,321	26.00
3.	Anshuman Singh and Nidhi Singh	1,000,000	2.56
4.	Suhani Trading and Investments Consultants ⁽²⁾	500,000	1.28
	Total	39,138,283	100

(1) At the time of subscription to the MoA, FEL jointly held one Equity Share each with Kishore Biyani, Chandra Prakash Toshniwal, Vimal K. Dhruve, Sanjay Rath, Rajesh Kalyani and Subodh More.

(2) Pursuant to a scheme of amalgamation of Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Private Limited, ESES Commercials Private Limited, Gargi Business Ventures Private Limited and Weavette Business Ventures Limited amalgamated with Suhani Trading and Investment Consultants Private Limited (the “Scheme”), Equity Shares have been transferred to Suhani Trading and Investments Consultants, subject to completion of certain corporate actions.

12. ESOP 2017

Pursuant to the resolution passed by our Board on August 5, 2017 and by our Shareholders on August 8, 2017, our Company had instituted ESOP 2017 for issue of up to 400,000 options to eligible employees which may result in issue of up to 400,000 Equity Shares. The eligible employees include employees as defined in ESOP 2017. In terms of the ESOP 2017, grants will be made by the Nomination and Remuneration Committee, based on determination of eligibility criteria prescribed under the ESOP 2017 and vesting period will be indicated in the grant letter with minimum period of one year between the date of granting and vesting of options. The ESOPs may be exercised at any time after vesting but prior to three years from the date of vesting of the ESOPs or as may be determined by the Nomination and Remuneration Committee. As on date of this Red Herring Prospectus, 283,763 options have been granted vested or been exercised under the ESOP 2017.

Particulars	Details		
Options granted	283,763		
Date of grant	November 14, 2017		
Pricing formula	Not applicable		
Exercise price of options (as on the date of grant of options)	₹350		
Vesting period	The options shall vest over a period of three years in the following manner:		
	Date of vesting	No. of options due to be vested	
	At the end of one year from the date of grant of the options	20% of the aggregate number of the options granted	
	At the end of two years from the date of grant of the options	30% of the aggregate number of the options granted	
	At the end of three years from the date of grant of the options	50% of the aggregate number of the options granted	
Options vested (excluding the options that have been exercised)	Nil		
Options exercised	Nil		
The total number of Equity Shares that would arise as a result of exercise of options granted (including options that have been exercised)	283,763		
Options forfeited/lapsed/cancelled	Nil		
Variation of terms of options	Not applicable		
Money realized by exercise of options	Nil		
Total number of options in force	283,763		
Details of options granted to senior management personnel	Sr. No.	Name of the Employee	Number of Options granted
	1.	Mayur Toshniwal	42,000
	2.	Chandra Prakash Toshniwal	35,000
	3.	Vimal K. Dhruve	15,000
	4.	Kailash Chand Sharma	14,063
	5.	P.V. Sheshadri	42,000
	6.	A.S.R. Prasad	15,000
	7.	Divyansh Rathore	15,000
	8.	Sougato Shome	21,600
	9.	Sanjeev Mandal	14,400
Details of options granted to any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil		
Details of options granted to identified employees who were granted options during any one year equal to exceeding 1% of the issued	Nil		

Particulars	Details
capital (excluding outstanding warrants and conversions) of our Company at the time of grant	
Diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant accounting standard i.e. Accounting Standard (AS) 20	Not applicable, since the options were granted on November 14, 2017.
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Not applicable, since the options were granted on November 14, 2017.
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Not applicable
Description of the method and significant assumptions used during the year to estimate the fair value of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying Equity Share in market at the time of granting of the option during the year	Not applicable
Lock-in	The Equity Shares arising out of exercise of vested options shall not be subject to any lock-in after such exercise in terms of the ESOP 2017.
Intention of the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Issue	Not applicable, since the options were granted on November 14, 2017.
Intention to sell Equity Shares arising out of the ESOP	Not applicable, since the options were granted on November 14, 2017.

Particulars	Details
Scheme within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	
Impact on the profits and on the Earnings Per Share of the last three years if the issuer had followed the accounting policies specified in clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of options granted in the last three years	Not applicable, since the options were granted on November 14, 2017.

13. None of our Directors or Key Management Personnel hold any Equity Shares of our Company.
14. All Equity Shares transferred pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly-paid up Equity Shares as on the date of this Red Herring Prospectus.
15. Neither the Lead Managers and nor their respective associates (in accordance with the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) hold any Equity Shares in our Company, as on the date of this Red Herring Prospectus.

In addition to above, Edelweiss Crossover Opportunities Fund (holding 1,570,845 Equity Shares of the Company), is a scheme of Edelweiss Alternative Investment Opportunities Trust, a SEBI registered Category II AIF (“**ECOF**”). Edelweiss Multi Strategy Fund Advisors LLP (“**EMS LLP**”) is the sponsor of ECOF. Edelweiss Multi Strategy Funds Management Private Limited, a wholly-owned subsidiary of Edelweiss Financial Services Limited, which holds majority economic interest in EMS LLP.

EW Clover Scheme (holding 392,705 Equity Shares of the Company), is a scheme of Edelweiss Alternative Investment Trust, a SEBI registered Category III AIF (“**EAIF**”). Edelcap Securities Limited, the sponsor of EAIF is a wholly-owned subsidiary of Edelweiss Financial Services Limited through its subsidiary.

16. As on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under the Companies Act.
17. Except as disclosed in this Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
18. Except as disclosed in the section entitled “*Offer Information*” on page 351, no payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoter to the persons who are Allotted Equity Shares.
19. None of the members of the Promoter Group, the Promoter, or the directors of the Promoter, or their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the RoC.

20. As on the date of the filing of this Red Herring Prospectus, the total number of our Shareholders is 10.
21. Neither our Company, nor the Directors have entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person. Further, the Lead Managers have not entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person. Further, our Company has entered into the GTI SSHA, in terms of which, our Company will be required to buy-back the Equity Shares issued upon the conversion of CCDs in the event:
- (a) On or before March 31, 2018, if our Company does not file this Red Herring Prospectus with the RoC on or before December 31, 2017;
 - (b) On or before June 30, 2018, if this Red Herring Prospectus is filed with the RoC on or before December 31, 2017, but the Equity Shares are not listed on the Stock Exchanges on or before June 30, 2018.

However, this right shall not subsist in the event Equity Shares of our Company are listed on the Stock Exchanges before June 30, 2018.

22. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot.
23. Other than the sale of Equity Shares by the Promoter in the Offer for Sale, the Promoter and Promoter Group will not participate in the Offer.
24. There have been no financing arrangements whereby the Promoter, the directors of the Promoter, members of the Promoter Group, the Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of financing entity during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.
25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
26. Our Company shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.
27. No person connected with the Offer, including, but not limited to, the Lead Managers, the members of the Syndicate, the Company, the Directors, the Promoter, members of the Promoter Group, and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
28. Except for ESOPs to be granted pursuant to the ESOP 2017, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.
29. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or qualified institutions placement, or otherwise. The foregoing restrictions do not apply to: (a) the issuance of any Equity Shares pursuant to this Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares, exercise of ESOPs pursuant to the ESOP 2017 or similar securities, as has been disclosed in the Draft Red Herring Prospectus and this Red Herring Prospectus and will be disclosed in the Prospectus, provided they have been approved by our Board.
30. In terms of Rule 19(2)(b)(ii) of the SCRR, this is an Offer for such percentage of the post-Offer paid-up Equity Share capital of our Company that will be at least ₹4,000 million calculated at the Offer Price. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs. Our Company may, in consultation with the Selling Shareholders and the Lead Managers, allocate up to 60% of the QIB Portion to

Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of the Company in consultation with the Selling Shareholders, the Lead Managers and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

31. Our Company shall ensure that transactions in the Equity Shares by our Promoter and the Promoter Group between the date of filing of this Red Herring Prospectus with RoC and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE OFFER

The Offer comprises an Offer for Sale by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the proceeds of the Offer for Sale of their respective portion of the Equity Shares after deducting its portion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The objects of the Offer for the Company are to achieve the benefit of listing the Equity Shares on the Stock Exchanges and for the sale of Equity Shares by the Selling Shareholders. Further, the Company expects that listing of Equity Shares will enhance its stability and brand image and provide liquidity to its existing shareholders.

Offer Expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprise listing fee, underwriting fee, selling commission and brokerage, fee payable to the Lead Managers, legal counsels, Registrar to the Offer, Escrow Collection Bank, including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. Other than the listing fee (which shall be borne by our Company), all other expenses for the Offer shall be shared amongst the Selling Shareholders, in proportion to the Equity Shares being offered by them in the Offer. All such expenses shall be directly deducted from the Public Offer Account and to the extent any expenses attributable to the Investor Selling Shareholder have been paid by our Company or the Promoter Selling Shareholder, they will be reimbursed to our Company or the Promoter Selling Shareholder, respectively, directly from the Public Offer Account. Provided if the Offer is withdrawn by the Company or is not completed for any reason, the Investor Selling Shareholders shall not be liable to share any costs and expenses. The break-up for the Offer expenses is as follows:

Activity	Amount ⁽¹⁾ (₹ in million)	As a % of total estimated Offer related expenses ⁽¹⁾	As a % of Offer size ⁽¹⁾
Payment to the Lead Managers	[●]	[●]	[●]
Commission and processing fee for SCSBs ^{(2) (3)}	[●]	[●]	[●]
Brokerage and selling commission for Members of the Syndicate, Registered Brokers, RTAs or CDPs ^{(4) (5)}	[●]	[●]	[●]
Fee payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others	[●]	[●]	[●]
<ul style="list-style-type: none"> • Listing fee • SEBI and Stock Exchanges processing fee • Miscellaneous 			
Total estimated Offer expenses	[●]	[●]	[●]

(1) Will be completed after finalisation of the Offer Price

(2) SCSBs will be entitled to a processing fee of ₹10 per ASBA Form for processing the ASBA Forms procured by members of the Syndicate, sub-syndicate/agents, Registered Brokers, RTAs or CDPs and submitted to the SCSBs (All of the above amounts are exclusive of applicable taxes and subject to valid applications being received).

(3) SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:

- Portion for Retail Individual Bidders: 0.35% of the Amount Allotted* (plus applicable taxes)
- Portion for Non-Institutional Bidders: 0.20% of the Amount Allotted* (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal identity as captured in the Bid Book of BSE or NSE. No processing fee shall be payable by the Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

(4) Members of the Syndicate (including their sub-syndicate members), RTAs, CDPs (for the forms directly procured by them) will be entitled to selling commission as below:

- Portion for Retail Individual Bidders: 0.35% of the Amount Allotted* (plus applicable taxes)
- Portion for Non-Institutional Bidders: 0.20% of the Amount Allotted* (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

The selling commission payable to the syndicate/ sub-syndicate members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective syndicate / sub-syndicate member. for clarification, if a syndicate ASBA application on the application form number / series of a syndicate / sub-syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the syndicate/ sub-syndicate member.

(5) Bidding/uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be ₹10 per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs. The selling commission and Bidding Charges payable to the Registered Brokers, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Monitoring Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR THE OFFER PRICE

The Offer Price will be determined by our Company in consultation with the Selling Shareholders and the Lead Managers on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should read the sections entitled, “*Our Business*”, “*Risk Factors*” and “*Financial Statements*” on pages 119, 17 and 182, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- One of the largest service providers with an extensive network of facilities in a fast-growing third-party logistics market;
- Comprehensive solution for supply chain requirements;
- Diverse customer base across many sectors;
- At the forefront in introducing new standards of technology and automation in the logistics industry in India;
- Longstanding relationship with Group Companies; and
- Experienced management team with logistics and retail sector-specific knowledge.

For further details, please see the section entitled “*Our Business - Our Strengths*” on page 120.

Quantitative Factors

Certain information presented below, relating to our Company, is based on the Restated Financial Statements. For details, please see the section entitled “*Financial Statements*” on page 182.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for changes in capital:

As per Restated Financial Statements:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2017	11.69	11.24	3
Fiscal 2016	7.52	7.34	2
Fiscal 2015	6.37	6.37	1
Weighted Average	9.41	9.13	
Six months ended September 30, 2017*	8.52	8.32	

* Not annualised

Notes:

- (1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
- (2) The figures disclosed above are based on the restated financial information of our Company.
- (3) The face value of each Equity Share is ₹ 10.
- (4) Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/Weighted Average No. of equity shares
- (5) Basic EPS and Diluted EPS calculations are in accordance with the relevant accounting standard.

(6) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in the section entitled "Financial Statements" on page 182.

2. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
Based on basic EPS for Fiscal 2017	[●]	[●]
Based on diluted EPS for Fiscal 2017	[●]	[●]

3. Average Return on Net Worth ("RoNW")

As per Restated Financial Statements of our Company:

Particulars	RoNW %	Weight
Fiscal 2017	15.6	3
Fiscal 2016	11.9	2
Fiscal 2015	11.3	1
Weighted Average	13.7	
Six months ended September 30, 2017*	10.2	

* Not annualised

Notes:

- (1) Weighted average RoNW = Aggregate of year-wise weighted RoNW% divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- (2) Average Return on Net Worth (%) = Net Profit after Tax before other comprehensive income (as restated) divided by Net worth at the end of the year/period excluding revaluation reserve.
- (3) Net worth for ratios mentioned represents sum of equity share capital, reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses)

4. Minimum Return on Increased Net Worth after the Offer needed to maintain Pre-Offer EPS for Fiscal 2017:

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS	[●]%	[●]%
To maintain pre-Offer diluted EPS	[●]%	[●]%

5. Net Asset Value per Equity Share of face value of ₹ 10 each

- Net asset value per Equity Share as on September 30, 2017 and March 31, 2017 is ₹ 83.31 and ₹ 74.81, respectively.
- After the Offer:
 - At the Floor Price: ₹ [●]
 - At the Cap Price: ₹ [●]
- Offer Price: ₹ [●]

Notes:

- (1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- (2) Net Asset Value Per Equity Share = $\frac{\text{Net worth as per the restated financial information}}{\text{Number of equity shares outstanding as at the end of year/period}}$
- (3) Net worth has been computed by aggregating share capital and reserves and surplus as per the restated financial information. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).

6. Comparison of Accounting Ratios with Listed Industry Peers

Our Company believes that other than Mahindra Logistics Limited**, none of the listed companies in India have a business model and asset structure similar to ours. The peer group comparison for Fiscal 2017 is provided below:

Particulars	Face value	EPS (Basic) (₹)	EPS (Diluted) (₹)	Return on Net Worth (%)	Net Asset Value (₹)	P/E*	Sales (₹ million)
Future Supply Chain Solutions Limited	10	11.69	11.24	15.63	74.81	-	5,611.83
Peer Group							
Mahindra [#] Logistics Ltd	10	6.70	6.62	13.11	51.13	67.70	26,665.87

**The equity shares of Mahindra Logistics Limited listed on the Stock Exchanges post the filing of the Draft Red Herring Prospectus.

*P/E ratio has been computed based on the closing market price of equity shares on November 24, 2017 on NSE divided by the EPS(Diluted).

[#]Figures used for Mahindra Logistics Ltd are based on restated consolidated financial statements as disclosed in the red herring prospectus of Mahindra Logistics Limited.

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the Selling Shareholders and the Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Bidders should read the above information along with the sections entitled “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 17, 119, 289 and 182, respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors described in the section entitled “Risk Factors” on page 17 and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

**The Board of Directors
Future Supply Chain Solutions Limited**

Knowledge House, Shyam Nagar
Jogeshwari – Vikhroli Link Road
Jogeshwari (East), Mumbai – 400 060
Maharashtra, India

Dear Madam(s) / Sir(s),

Proposed initial public offering of equity shares (the “Equity Shares”) by Future Supply Chain Solutions Limited (the “Company”) (the “Offer”)

We hereby report that the enclosed statement is in connection with (i) the possible special tax benefits available to the Company under the Income Tax Act, 1961, and indirect tax laws, presently in force in India, and, (ii) to the shareholders of the Company under the Income Tax Act, 1961.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. 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 faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 Offer. We do not express any opinion or provide any assurance as to whether:

- (a) the Company or its shareholders will continue to obtain these benefits in the future; or
- (b) the conditions prescribed for availing of 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.

We hereby consent to the statement of tax benefits being disclosed in the Red Herring Prospectus and Prospectus to be filed by the Company in connection with the Offer.

Yours Truly,

For NGS & Co LLP

Chartered Accountants
Firm Registration No. : 119850W

Ashok A. Trivedi

Partner
Membership No. 042472
Mumbai

Date: November 15, 2017

STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company under the Income Tax Act, 1961, Goods and Services Tax Act, 2016, Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017 presently in force and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the above Acts.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961.

Yours Truly,

For NGS & Co LLP

Chartered Accountants

Firm Registration No. : 119850W

Ashok A. Trivedi

Partner

Membership No. 042472

Mumbai

Date: November 15, 2017

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from the report titled “Future of Organized Logistics in India – Contract, Express and Cold Chain”, dated August 14, 2017 (the “A&M Report”), prepared by Alvarez & Marsal India Private Limited (“A&M”). We commissioned the A&M Report for the purpose of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Lead Managers, nor any other person connected with the Offer has verified the information in the A&M Report. Further, the A&M Report was prepared based on publicly available information, data and statistics as of specific dates and may no longer be current or reflect current trends. The A&M Report may also be based on sources that base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. A&M, has advised that while it has taken due care and caution in preparing the A&M Report based on the information obtained by A&M from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the A&M Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of A&M Report or the data therein. The A&M Report is also subject to the disclaimer set forth at the end of this section entitled “Industry Overview”. Further, the A&M Report is not a recommendation to invest / disinvest in any company covered in the report. A&M especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the A&M Report. Prospective investors are advised not to unduly rely on the A&M Report when making their investment decision. For purposes of this section, a conversion rate of US\$ 1 = ₹65 has been used.

Overview of the Indian economy – India continues to grow faster than other economies

Economy – trend and outlook

The Indian economy is expected to perform significantly better than the global economy over the next few years. The growth of global economy is expected to be 2.7% in 2017¹, and is expected to increase to 2.9% over the next few years. While US is expected to grow greater than 2016 estimates, EU, Japan and China were expected to see a marginal decline in GDP growth for 2017.^{2 3}

In comparison, India is expected to grow at 7.2% in 2017. As per IMF, **India is the seventh largest economy.**⁴ GDP growth was strong between 2005 and 2011, at over 8%, before dipping to sub 7% between 2011 and 2016. Strong 2017 growth is expected to continue in the future. **India is expected to be the fastest growing major developing economy over the next few years**, with GDP growth forecasted at 7.5% and 7.7% in 2018 and 2019 respectively. In comparison, World Bank estimates the growth for some of the other developing countries to be lower as discussed in Table 1:

Table 1: Real GDP growth estimates for key countries

Country	Growth Estimates				Key reasons for estimates
	2016e	2017f	2018f	2019f	
United States	1.6%	2.1%	2.2%	1.9%	<ul style="list-style-type: none"> • Possibility of fiscal stimulus • High consumer confidence • Capex in energy sector seems to have bottomed and wages & productivity growth remain sluggish • Economic slack remains, unemployment rate at long term equilibrium level
Euro Area	1.8%	1.7%	1.5%	1.5%	<ul style="list-style-type: none"> • Improvement in unemployment rate to 9.5% in Q1, FY 2017 • Inflation expectations remain below European Central Bank (ECB) target • Accommodative monetary policy expected to sustain demand

¹ GDP growth values are on a fiscal year basis. Aggregates that include these countries are calculated using data compiled on a calendar year basis

² World Development Indicators, World Bank

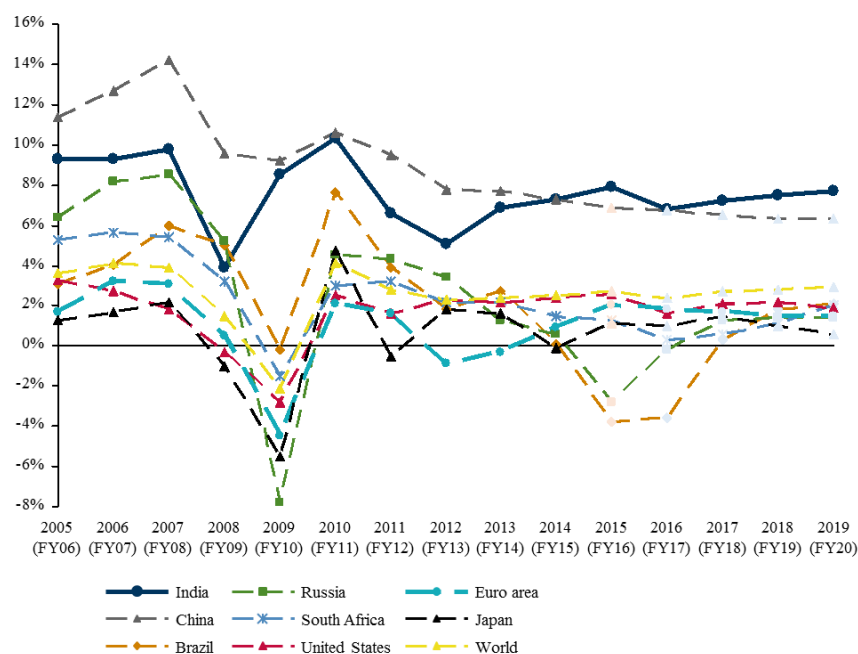
³ Global Economic Prospects, World Bank, June 2017

⁴ As per Nominal GDP of Countries, IMF

Country	Growth Estimates				Key reasons for estimates
	2016e	2017f	2018f	2019f	
China	6.7%	6.5%	6.3%	6.3%	<ul style="list-style-type: none"> Significant disruption in exports Continued measures to contain local government debt, to improve the banking industry and to tackle issues related to excess capacity
South Africa	0.3%	0.6%	1.1%	2.0%	<ul style="list-style-type: none"> Better rainfalls are expected to improve agricultural production and electricity generation Policy uncertainty and low business confidence expected to weigh on investments
Russia	-0.2%	1.3%	1.4%	1.4%	<ul style="list-style-type: none"> Low oil prices and international sanctions Emergence from recession, recovery of consumer demand Demographic pressure and slow implementation of structural reforms
Brazil	-3.6%	0.3%	1.8%	2.1%	<ul style="list-style-type: none"> Emergence from recession and disinflation Medium term growth constrained by the need for private and public sector deleveraging
India	6.8%	7.2%	7.5%	7.7%	<ul style="list-style-type: none"> Reduced external vulnerabilities, strengthening domestic business cycle, and supportive policy environment Progress on infrastructure improvements and government spending on capital formation is expected to offset tightening of borrowing conditions Favorable weather, low oil prices and hence, low inflation are expected to provide for accommodative monetary policy

Source: Global Economic Prospects, World Bank, June 2017

Figure 1: Real GDP growth – India vs. other countries (%)



Source: World Development Indicators, World Bank and Global Economic Prospects, World Bank, June 2017.

Note: For India – Fiscal year end: March 31.

Services account for the largest share of the Indian economy, accounting for c. 53.7% of GVA at basic price at current prices (2011-12) in FY17. Industry (which includes mining & quarrying, manufacturing, electricity, gas & water supply and construction) and agriculture account for c. 29.0% and c. 17.3% respectively. The share of industry has

declined from c. 32.5% in FY12 to c. 29.0% in FY17. Government initiatives such as ‘Make in India’, and factors such as increased FDI investments in Indian manufacturing, lower global commodity prices and narrowing gap of manufacturing costs between India & China are expected to drive manufacturing growth.^{5 6}

Table 2: Key economic indicators- India

Indicators*	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	CAGR (FY 2012-FY 2016)
Manufacturing Index	181.0	183.3	181.9	186.1	189.8	1.2%
GNI per capita (INR)	70,977	79,632	88,992	97,402	104,589	10.2%
PFCE per capita (INR)	40,250	45,918	52,022	56,772	62,958	11.8%

* GNI- Gross National Income, PFCE- Private Final Consumption Expenditure

Source: RBI Handbook of Statistics on the Indian Economy, Sept 2016

As presented in Table 2, high growth of PFCE is expected to drive consumption demand. Quality & cost of logistics services and infrastructure play an important role in determining the manufacturing competitiveness of a country. Logistics industry in India has played a crucial role in the growth of manufacturing and consumption demand. **Growth in manufacturing and consumption demand is expected to result in increased need for logistics services in the country.**

Overview of Indian logistics industry – logistics key enabler of Indian growth story

Indian logistics market is estimated at c. INR 9,100 billion (US\$ 140 billion) in FY 2017. Indian logistics expenditure is c. 6.0% of GDP (excluding inventory carrying cost), which is higher than that of the United States (c. 5.5% of GDP), but lower than that of China (c. 11.5% of GDP). However, when we compare the logistics spent in India after adjusting for share of manufacturing/agriculture in GDP and geographic size of the country, **logistics in India is around two times less efficient than China and US**. If we include impact of inventory cost, the difference in efficiencies become even more wider as time of transport and cost of storage & handling in India is significantly higher than global benchmarks. Hence, there exists opportunity to optimize the logistics spend in India. Inefficient logistics in India is substantiated by LPI (Logistics performance index) which is an indicator for logistics infrastructure and quality. LPI for various countries is represented in the table below⁷. GDP per capita has been observed to be significantly correlated to LPI of a country.

Table 3: Logistics Performance Index- Key Countries

Countries	2007		2016	
	Global rank	Score*	Global rank	Score*
Russia	99	2.37	99	2.57
Brazil	61	2.75	55	3.09
India	39	3.07	35	3.42
China	30	3.32	27	3.66
South Africa	24	3.53	20	3.78

⁵ Industry estimates

⁶ FDI in manufacturing increased by 82% in April-November 2016 (over previous period), Economic Times

⁷ World Bank

Countries	2007		2016	
	Global rank	Score*	Global rank	Score*
USA	14	3.84	10	4.04
UK	9	3.99	8	4.07
Germany	3	4.10	1	4.23
Singapore	1	4.19	5	4.14

* The index ranges from 1 to 5, with a higher score representing better performance. 150 and 160 countries were ranked on LPI in 2007 and 2016 respectively

Source: World Bank

Note: Logistics Performance Index overall score reflects perceptions of a country's logistics based on efficiency of customs clearance process, quality of trade- and transport-related infrastructure, ease of arranging competitively priced shipments, quality of logistics services, ability to track and trace consignments, and frequency with which shipments reach the consignee within the scheduled time.

In context to India's growth story, China's high growth phase between 2004 and 2009 provides relevant benchmark. During the period, China's nominal GDP grew from US\$ 2 trillion to US\$ 5 trillion (21% CAGR)⁸. Total retail sales in China grew at c. 17% annually between 2004 and 2009⁹. It was also during this period that China became a global manufacturing hub. **As a result, China's logistics industry grew on account of high growth in end user industries.**

For India, Logistics market excluding rail freight and port handling (these sectors are significantly organized given the capital intensity of the sectors and most companies are controlled by government, quasi-government & infrastructure focused private institutions) is estimated at c. INR 7,500 billion (US\$ 115 billion) in FY 2017¹⁰ and share of organized logistics market is c. 12% estimated at c. INR 900 billion (US\$ 14 billion). In developed markets like the United States and Europe, share of organized logistics market is over c. 80%.

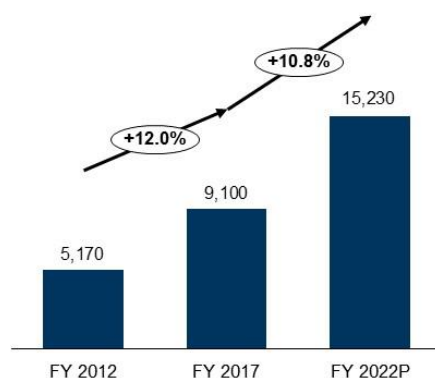
As discussed above, Indian economy is expected to grow faster than most large economies in the world and Indian logistics industry is less efficient than most developed countries. **Hence, it is expected that Indian logistics market will grow faster than most large economies globally.**

⁸ World Bank

⁹ National Bureau of Statistics, China

¹⁰ Rail freight and port handling sectors are significantly organized given the capital intensity of sectors. Most companies are controlled by government, quasi-government & infrastructure focused private institutions.

Figure 2: Indian logistics market (INR billion)



Source: Industry Estimates

The Indian logistics market has grown at c. 12% CAGR between FY 2012 and FY 2017. The industry growth is expected to continue in line with the historical growth trajectory on account of strong demand and supply side drivers.¹¹ Key factors contributing to the future growth include growth of the Indian economy, increasing urbanization, increasing consumerism due to higher per capita incomes, favorable regulatory changes, incentives from the government for infrastructure investment and higher levels of outsourcing of logistics activities. On the back of these drivers, **organized LSPs are expected to grow faster than the logistics market.**

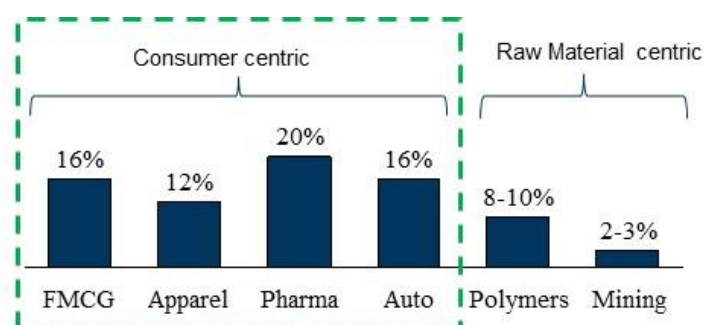
Some of the key drivers for organized LSPs and relevant market (as stated above) are presented below:

Growth in the underlying economy

Over the next few years, Indian economy is expected to be the fastest growing major developing economy. Manufacturing and trade are expected to see strong growth on account of several government initiatives such as “Make in India” and Indian Foreign Trade Promotion Policy for 2015-2020, which provide incentives for manufacturing in and exports from India. Growth of these segments is expected to result in the demand for quality logistics, on both domestic as well as EXIM front, and is expected to drive demand for organized LSPs.

Moreover, consumer-focused industries (product industries such as auto, apparel, pharma, FMCG, CDIT) are growing at a faster rate than raw material centric industries in value terms, indicating premiumization in these industries. (Refer Figure 3 below)

Figure 3: Growth of consumer centric industries vs raw material centric industries (FY 2012-2016)



Source: Industry estimates

¹¹ Industry estimates

Increased premiumization in end user industries results in a higher requirement for organized LSPs and increase in adoption of value-added logistics services.

Dispersal

India's population has grown at 1.3% annually, while over 55% of the population is in the working age group of 18-55 years. Urbanization is a key factor that has contributed to growth in consumption and a large proportion of this growth has come from tier-I and tier-II cities. For instance, India added 7 multi-city agglomerations (urban belt of 2-3 cities) between 1999-2010, 25-30% increase from 23 agglomerations earlier¹².

Factors such as increasing disposable incomes, and emergence of new demand/ consumption clusters have resulted in growing consumer demand outside of metro/tier-I cities. E.g. Leading e-commerce players in the market claim that nearly 50% of their sales come from tier-II/III cities.¹³ On the supply side, leading brands across apparel, FMCG & CD have expanded distribution networks to non-metro cities through multi-format stores.

- Dispersal is expected to impact logistics industry in two key aspects:
 - Growth of logistics industry - Consumer product companies expect efficient supply chain to bridge the supply gap to tier-II/III cities through lower cost of penetration. This will result in more opportunities for logistics companies.
 - Dependence on organized LSPs is expected to increase for manufacturing and services companies to enhance reach. As a result, LSPs are adding warehousing facilities and transportation hubs to cater to tier-II and tier-III locations.

Evolving customer requirements

A shift in customer requirements from pure-play logistics activities to a service/ management oriented requirement is expected to drive growth for organized LSPs. Outsourcing to contract LSPs is increasing in both consumer-focused industries, as well as in bulk industries. The auto industry outsources an estimated 90-95% of logistics requirements to contract LSPs for not only warehousing & transportation, but also for in-plant activities such as store management, line feed, sub-assembly and pre-delivery inspection amongst others. FMCG, CD, and apparel industries have been increasing the level of outsourced activities for LSPs. These industries have in the recent past outsourced consolidation, packaging, labeling, sorting and distribution to large organized LSPs. Power plants are increasingly outsourcing coal transport and FSA fulfillment to contract LSPs. Global fertilizer companies are also increasingly outsourcing tasks such as last-mile bagging, distribution and port handling to contract LSPs.

Further, customer requirements are becoming increasingly sophisticated. Customers are increasingly willing to pay a premium for higher infrastructure/ service quality (e.g. technology, automation and other value-added services), higher product safety, modern infrastructure and other industry-specific specialized requirements. MNCs and large Indian companies have increased self-regulation and have increased adoption of global compliance standards. This is leading to an increase in acceptance of premium services of organized LSPs that meet the required standards.

Table 4: Increased sophistication of logistics requirement in India

Conventional approach of customers	Emerging approach of customers
<ul style="list-style-type: none"> • Conventional transportation and storage service providers • Absence of VAS or use of only basic VAS • Role of logistics services are perceived as transactional/ user defined • Logistics services are procured on this basis of lowest cost 	<ul style="list-style-type: none"> • End to end supply chain management • Capacity aggregation (Forwarder, co-loaders) • Technology enabled operations (Track & trace, placement accuracy, efficiency in handling) • VAS (Inventory management, route /network optimization, consolidation, packaging and labelling)

¹² World Bank

¹³ Business World, E-commerce: counting the clicks, April, 2017

Conventional approach of customers	Emerging approach of customers
	<ul style="list-style-type: none"> • Role of logistics services is evolving from a transactional role to a strategic role • Focus on efficiency and quality

Regulatory drivers - GST

Traditionally, logistics has been operationally challenged by complicated transport networks, high coordination costs across supply chain, inadequate infrastructure and multi-point taxation. As a result, LSPs operated using hub and spoke in most states to avoid state VAT- goods directly supplied to dealers attracted state VAT, whereas transfer from warehouse is treated as stock transfer. Also, most of the warehouses operated below capacity.

Implementation of GST is expected to improve performance of logistics across all sub-segments. Some of the benefits are expected to be as follows¹⁴:

- Idle time for truck fleet is expected to reduce by 20% due to elimination/rationalization of check post between states (more than 20 states have already removed check posts)
- Resources spent on paperwork for transport companies is likely to reduce significant. Currently industry spends 50-60% of resources on documents related to tax compliance and deposit of interstate sales tax
- Elimination of octroi is expected to reduce congestion and improve productivity for logistics industry for distribution in large cities
- Warehouse infrastructure is expected to improve – physical infrastructure and scale of operations

Implementation of GST could create multiple opportunities for LSPs on account of supply chain optimization initiatives by companies in key user industries. Average penetration of contract logistics is c. 13% (for addressable segments) (Refer Table 7) in FY 2017 due to multiple factors including pre-GST complex tax structure of India. GST implementation is expected to drive penetration of outsourced logistics. The opportunities for LSPs due to GST implementation can be broadly classified into two categories – physical infrastructure & services and expansion of role in the value chain.

Physical infrastructure and services

GST will result in creation of hub and spokes for the users. Existing large logistics parks and new parks will evolve as key hubs. The hub location will be determined on account of logistics efficiency, rather than on account of regulatory/tax reasons. Private companies and Government have aggressive plans to build large logistics parks across the country¹⁵:

- The government has approved a plan to build 34 mega multi-modal logistics parks at an investment of INR 2,000 billion (US\$ 31 billion)
- In last two years, global PE players, pension funds have already invested more than INR 98 billion (US\$1.5 billion) in India's warehousing business

LSPs could centralize hub operations. It would allow firms to redesign supply chains take advantage of scale economies. It would also bring significant improvement in asset utilization and increase in operational efficiency. The hubs would enable the following:

¹⁴ Ministry of Road Transport & Highway

¹⁵ Ministry of Road Transport & Highway

- Allow for bulk-breaking and cross docking from one location
- Ease of entry across states would reduce transportation delays
- Total safety stock would reduce and hence the carrying cost of such stock
- Layout efficiency would improve since larger warehouses allow for increased effective area available for racking as peripheral unused width is constant across warehouses.
- Use of higher racking norms and higher cubic space utilization are also expected at a warehouse
- Capability to handle multi-industry users including B2C
- Connectivity with alternate modes of transport – rail, road, water
- Automation to enable velocity of cargo movement
- Ability to provide infrastructure to conduct last mile value additions on cargo

Creation of hub and spokes is expected to drive increase in share of organized LSPs due to following reasons:

- Average size of truck unit is expected to increase. Organized companies are better placed to invest in better rolling stock and manage productivity
- Hub and spoke operations would require presence across multiple locations and capability to handle complexity of processes. Organized companies are better suited to service this demand
- Hub operations would require investments in automation and processes

Expansion of role in the value chain

Under GST, the tax on warehouse, storage and other labor services has increased from 15% to 18%. A third-party logistics provider would now have more incentive to provide services that have a high degree of value addition. Example of such activities are:

- Inventory visibility and analytics
- Channel support for goods including insourcing of C&F capabilities
- Channel management and decision support system for movement of sales
- Light processing and value additions along with documentation support

Organized service providers are significantly better placed to offer customers consistent reliable service for above mentioned activities.

Opportunities for organized LSPs are as follows:

	Changes in logistics service requirements for key industries	Opportunities for organized LSPs
Transportation	<ul style="list-style-type: none"> • Use of higher capacity vehicles for transportation to/ between hub locations • Change in mix of vehicles required for secondary distribution 	<ul style="list-style-type: none"> • Investment in a fleet of higher capacity vehicles which could be used for primary transportation • Investment is optimum mix of vehicles for secondary distribution • Increase in share of organized LSPs
Warehousing	<ul style="list-style-type: none"> • Hub and spoke distribution model to reduce inventory and warehousing cost • Demand for large automated warehouses at hub locations across India 	<ul style="list-style-type: none"> • Investment in large technology enabled multiuser warehousing facilities for key industries at hub locations • Increase in share of national LSPs with multilocation and multi-service capabilities
LSPs	<ul style="list-style-type: none"> • Out source inventory management activities for finished goods at hub warehouses • Integration of logistics services to improve supply chain efficiency 	<ul style="list-style-type: none"> • Investment in technology for efficient warehouse operations, inventory management activities and provide value added services • Potential to provide integrated logistics services • Increase in share of organized LSPs

Increased scale of logistics service providers

Organized LSPs have increased the size/ scale of their infrastructure/ operations over past few years. Over the past few years, logistics parks sizes have increased from c. 18 acres to c. 37 acres, warehouse sizes have increased from c. 25,000 sq. ft. to c. 75,000 sq. ft., and port terminal capacities have increased from c. 1 million TEUs to c. 4 million TEUs. Sizes of temperature controlled warehouses have nearly tripled from c. 35,000 sq. ft. to c. 100,000 sq. ft. Large express LSPs have also expanded their reach from c. 300 branches to c. 600 branches.¹⁶

Currently the industry is significantly fragmented with unorganized participants servicing c. 85% of demand. Few indicators that characterize high share of unorganized service provider market are¹⁷:

1. **Warehousing:** End user industries in India have warehousing demand of c. 500 million sf Grade A and Grade B equivalent (Warehouse grades are determined basis parameters such as infrastructure, layout, equipment, safety features, flooring, clear height etc Grade A/B warehouses are modern sophisticated buildings compared to Grade C rudimentary godown structures) warehouse space in 2016. Share of available good quality warehouse supply is only c. 28% (145 million sf) of the demand. The remaining is being served from low quality Grade C warehouses in multiple locations
2. **Transportation:** There are 6.5 million commercial trucks (LCVs, ICVs, MAVs, TTs). c. 80% of all the trucks are owned, managed and controlled by single truck owners, while 5% are operated by large fleet owners
3. **Cold Chain:** Cumulative volume space demand by product and processed food based industries in cold chain warehousing is estimated at c. 700,000 pallets in 2016. However, only 250,000 (c. 36%) pallets of desired quality are available in supply. The remaining demand is being served from low quality conventional cold rooms due to lack of supply in many locations

As the scale of customers increase, their demand for organized LSPs with capability to cater to their large-scale requirements will increase, resulting in an increased adoption of organized LSPs. Increased scale of operations also

¹⁶ Industry estimates

¹⁷ Industry estimates

provides LSPs benefit due to economies of scale.

Technology

Adoption and availability of affordable technology: New consumption patterns and evolving customer demands have impacted both transportation and warehousing services. Now with improved technology, both effectiveness and efficiency of services delivered are improving. Some of the best practices in technology which are being adopted in the industry are:

- Tech-enabled platforms are trying to reduce cost of intermediation in transportation
- Availability of WMS is reducing cost of operations, spillage and pilferage
- Technology such as put-to-light (PTL) sortation system has reduced handling costs
- Automatic sorters have improved inventory handling through higher throughput and accuracy
- Embedded sensors in transport vehicles, containers etc. are providing real time visibility of inventory and improving order fulfilment

Organized logistics services providers are utilizing technology to differentiate and improve cost competitiveness compared to unorganized counterparts.

Organized LSPs are poised to grow much faster compared to the unorganized for the following reasons:

- **Sophistication of Clients:** Over the past few years, the needs of customers have become more sophisticated and require higher service quality, automation and integration. Additionally, a shift in the customer profile to MNCs and large Indian companies have increased self-regulation and have increased adoption of global compliance standards
- **Rationalization of vendors (LSPs):** Companies with wide footprint prefer to deal with select LSPs which can completely manage their logistics requirements. Companies have started adopting best practices through less number of vendors. This is also because process and compliance upgradation becomes difficult to roll out across larger number of vendors. Hence, organized LSPs are well positioned to leverage the opportunity.
- **Centralization of supply-chain decision making:** Traditionally, large companies have managed supply chain at multiple locations separately. Companies have begun to centralize operations because costs and productivity are both inefficient in case of decentralized decision making. This creates avenues for large national organized operators.
- **Favorable regulations:** Traditionally, LSPs have focused on tax management through saving inter- state taxes. With GST, the focus has shifted towards cost efficiency. Implementation of GST is expected to create multiple opportunities for LSPs on account of physical infrastructure such as creation of hub and spoke model for users. Large logistics parks will evolve as key hubs. Also, contract LSPs would be expected to offer services beyond cargo movement, storage and handling.
- **Technology and Automation:** Though advanced technology is readily available, organized LSPs are adopting and implementing such technology to create an impact in the way transportation and warehousing services are delivered. Tech-enabled platforms have reduced the cost of intermediation while WMS has reduced cost of operations and reduced pilferage & spillage. With increasing scale, technology has consistently demonstrated the ability to reduce costs without affecting service levels.

Key segments of the logistics industry

Road transport is the largest segment of Indian logistics market, accounting for c. 65% of its total value estimated at c. INR 5,900 billion (US\$ 91 billion) for FY 2017. This segment is highly fragmented with participants typically providing commoditized undifferentiated services. The top ten road transportation service providers account for less than 2% of the segment. This segment is plagued by several inefficiencies such as poor turnaround times, low

utilization, poor road infrastructure and difficulty in generating reverse loads amidst others. This segment has moderate level of asset intensity and provides moderate returns.

Rail transport accounts for c. 15% of Indian logistics market estimated at c. INR 1,350 billion (US\$ 21 billion) for FY 2017. It has traditionally had a high level of government control and only recently opened to participation from private service providers in select segments such as CTO, wagon leasing schemes, PFT and SFTO.

Indian warehousing industry is highly fragmented and is spread over a wide geographic area. A significant share of this segment is accounted for by farm/ factory side storages, which are typically either captive facilities or owned by local, unorganized entities. Scope for private, organized service providers is primarily in the modern warehousing sub-segment, which accounts for only a fraction of the logistics market. Further, this segment requires moderate capital investments, providing moderate to high return ratios.

The various sub segments in logistics differ in level of fragmentation, asset intensity, quality of revenue and return profiles.

Table 5: Indian logistics industry – key sub segments FY 2017

Industry**	Market Size (INR billion)	CAGR (FY 2012-17)	Level of fragmentation	Asset Intensity	Quality of revenue		ROCE*	Drivers
					Customer stickiness	Premiumization of product		
Road transport	5,900	14%	High	Moderate	Low	Low	Moderate	<ul style="list-style-type: none"> - Adoption: Dispersal in consumer demand expected to result in increased LTL cargo movement and need for consolidation - Regulations: GST expected to increase utilization - Customer Preference: Adoption of technology (i) Telematics to drive transparency (ii) Market place - trucking / cargo exchange (iii) Need for GPS tracking in LTL
Freight Forwarding / NVOCC	245	7%	Very high	Very low	Low	Low	Very high	<ul style="list-style-type: none"> - Adoption: Development of trade relationships with east Asia has led to emergence of new FFs with focus on such trade lanes - Others: Freight forwarders are building end-to-end capabilities to differentiate in a highly-fragmented market
Agri warehousing	235	13%	Moderate	Moderate	Low	Moderate	Moderate	<ul style="list-style-type: none"> - Regulations: Government support for PPP projects to increase private sector participation - Adoption: Increasing awareness on agri wastage
Express services	100 [#]	14%	Moderate	Low	Moderate	Moderate	Very High	<ul style="list-style-type: none"> - Customer Preference: Need for high speed movement of cargo, on time delivery and inventory visibility. Requires pro-active MIS and reporting - Adoption: (i) reducing fuel costs (ATF/ diesel) (ii) emergence of new trade channels - e-tail (iii) growing dispersion in demand (non-metro/ non-tier-I locations)

[#]Part of overall road transport industry.

Industry**	Market Size (INR billion)	CAGR (FY 2012-17)	Level of fragmentation	Asset Intensity	Quality of revenue		ROCE*	Drivers
					Customer stickiness	Premiumization of product		
Cold Chain (products and commodities)	200	15%	Moderate	High	High	High	Moderate	<ul style="list-style-type: none"> - Adoption: (i) Increasing self-compliance with entry of MNCs (food, QSR) and increasing pharma exports (ii) organized play in end user industries (dairy products) (iii) increasing fruit imports - Customer Preference: High involvement of

								<p>LSPs, end to end supply chain requirement</p> <p>Willingness to pay: 'Premiumization' in end user industries (chocolates, QSR, etc.) and increasing quality concerns</p> <ul style="list-style-type: none"> - Scale of operations (LSP): Increased size by LSPs resulting in economies of scale - Scale of operations in end user industries and need for service to increase organize play in cold chain
Container Logistics (CFS, ICDs, CTO)	340	15%	Low	Very high	Moderate	Moderate	High	<ul style="list-style-type: none"> - Adoption: Increase in containerization levels - Customer Preference: Need for better quality of service is expected to increase share of private service providers
Port services	100	NA	Moderate	High	High	Moderate	Low	<ul style="list-style-type: none"> - Adoption: Increase in proportion of comprehensive contracts vs standalone tug boats contracts - Others: Emergence of minor ports
Contract Logistics	110	17%	Moderate	Low	High	High	High	<ul style="list-style-type: none"> - Adoption: Future adoption in low penetrated industries like CD and FMCG - Customer Preference: Shift from conventional TPT / WH to in-plant support, VMI, packaging, sub assembly, end-to-end SCM - Others: Increasing customer awareness leading to per price contracts impacting overall margins. Industry exploring levers to improve productivity, expected to result in margin improvement
Project cargo (Road)	50	17%	Moderate	High	Low	Moderate	High	<ul style="list-style-type: none"> - End user: Increase in infrastructure investment (wind, solar, pipeline, urban transport, railways) - Regulations: FDI norms in manufacturing and infrastructure industries - a potential upside - Others: Mobilization of capital is an entry barrier
Coastal Shipping	43	14%	Moderate	Very high	Low	Moderate	Moderate	<ul style="list-style-type: none"> - Regulations: (i) Coastal cargo incentive scheme launched by government (ii) Sagarmala project having focus on coastal movement - Adoption: High adoption seen on specific trade lanes
Custom bonded warehouses	47	10%	Very high	Moderate	Moderate	High	Moderate	<ul style="list-style-type: none"> - Regulations: Lack of clarity in regulations limits VMI potential
E-commerce logistics	75	35%	Moderate	Low	Low	Moderate	High	<ul style="list-style-type: none"> - Customer Preference: Need for additional services to address delivery gap (such as CoD) and technology gap (complete track and trace, evolved WMS to know inventory levels) - Customer expansion: Geographic and catalog expansion - Risks: (i) Risks involved with unit economics of end user industry and resulting impact on LSPs (ii) Competition from potential captive capabilities built with increase in volumes
Air (carrier domestic)	12	4%	Low	High	Low	Moderate	Very low	<ul style="list-style-type: none"> - Market: (i) Increase in movement of high value products (ii) Rising need for on-demand cargo (iii) new trade channels such as e-commerce
Tank Farms (road / rail/port) – Non-POL	138	11%	Low	High	Moderate	Moderate	Moderate	<ul style="list-style-type: none"> - Adoption: (i) Clubbing tank farm products with MMLPs (ii) uptake of port linked processing units (iii) increasing imports of liquids - Regulations: Capacity addition at Non-Major/private ports
Total	7,500	-	-	-	-	-	-	
Total (including ports and rail)	9,100	-	-	-	-	-	-	

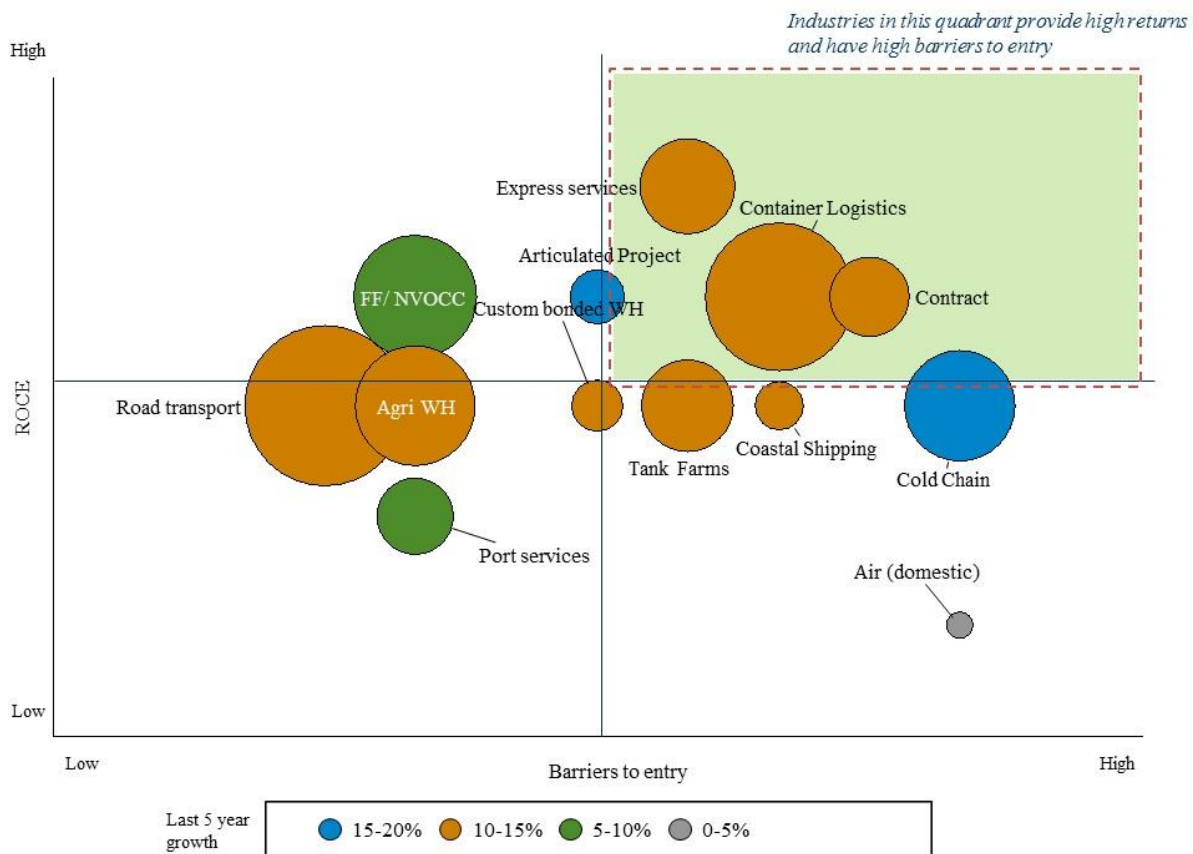
ROCE: Very high - >25%; High – 20-25%; Moderate – 15-20%; Low – 10-15%; Very low: <10%

* For stable, steady-state business as per unit economics calculations

**** Market for key consumer focused industries doesn't include Rail – INR 1,350 billion & Ports Infra- INR 290 billion**
Source: Industry estimates

The relative attractiveness of logistics segments can be assessed based on size of the market in the hands of organized private service providers, asset intensity and return potential as depicted in the figure below:

Figure 4: Key segments – Indian logistics industry



Source: Industry estimates

Note: Size of bubble represent relative size of opportunity for organized private participants

Overview of select segments¹⁸

Contract logistics

Contract logistics service providers provide inbound and outbound logistics services to various manufacturing and service companies. These service providers take responsibility of transportation, warehousing and other value added activities such as packaging, kitting, sorting, labeling, reverse logistics, consolidation etc. The key end user industry segments for these services are auto, retail, pharma, FMCG & CDIT, telecom, e-commerce and e-tail.

Contract logistics is a niche services segment which requires differentiated capabilities and an in-depth understanding of customer supply chain. Contract logistics typically requires low asset intensity or asset light model and has

¹⁸ Refers to the segments FSC operates in – Contract, Cold chain and Express logistics

favorable returns (20-25% ROCE). Having the capability to offer differentiated products becomes especially relevant for organized players where the customers are sticky and tend to continue with long term arrangements. Organized contract logistics market in Europe, estimated at US\$ 82 billion, forms c. 3.5% of the logistics market and c. 4% in the United States compared to 1.2% in India¹⁹.

Contract logistics market in India is estimated at c. INR 110 billion (US\$ 1.7 billion) in FY 2017 (Refer Table 7). Contract logistics spend has grown at a faster pace than the overall logistics industry at c. 17% annually between FY 2012-2017²⁰.

Table 6: Nature of contracts in Contract Logistics

Types of customers	Services provided	Average tenure	Pricing model
FMCG, Auto, CD, IT, Telecom & Mobile, Retail	Warehousing, VAS and Transportation	3-5 years	Pricing evolving from cost + management fee to cost per part (productivity linked) to revenue and profit sharing (strategic partnerships)

Source: Industry estimates

Contract logistics services are more complex in nature and require process & technology integration between LSPs and customers. As a result of this symbiotic relationship, such contracts have higher longevity.

Demand drivers and key trends

Contract logistics has grown on account of increasing scale of operations and higher level of outsourcing on the demand side and better network optimization on the supply side. Following are the key trends in the space:

- Increased scale of operations as the end use segments (industries) are witnessing consistent growth due to favorable economic and demographic macro scenario
 - FMCG and organized retail have grown at c. 16% between FY 2012-2016 led by growth in volumes, entry of international brands and supply-side penetration²¹
 - Adoption is expected from low penetration sectors such as FMCG and CD
 - GNI per capita growth of 10% during FY 2012- 2016 and high rate of urbanization have contributed to demand growth in tier-II and tier-III cities²²
 - Better agricultural output, low inflation and penetration of brands in tier-III and tier-IV cities have contributed to the growth in rural consumption & demand
- Increased level of outsourcing as end user segments are focusing on core functions such as manufacturing and sales. Hence, they are outsourcing strategic end-to-end logistics solutions rather than in-silo services such as only transportation/ storage
 - Auto manufacturers outsource inbound transportation, in-plant warehousing, linefeed and out-bound transportation
 - CDIT manufacturers typically outsource most of the logistics activities including- inbound transportation, primary / secondary warehousing and transportation
 - In organized retail, activities such as warehousing, VAS like garment on hanger (including returns), transportation, reverse logistics to stores are outsourced to LSPs
- GST implementation is expected to be conducive for increased outsourcing to contract LSPs

¹⁹ Industry estimates

²⁰ Industry estimates

²¹ Industry estimates

²² RBI Handbook of Statistics on the Indian Economy, Sept 2016

- Industry is exploring levers to improve productivity which is expected to drive margin improvement

Key addressable segments

Contract logistics market is expected to grow to c. INR 244 billion (US\$ 3.8 billion) in FY 2022, nearly 2.2 times the size of FY2017 market, at a CAGR of 17%. The key end user segments for contract logistics and their addressable spend is provided below:

Table 7: Contract logistics– key addressable segments

Industry	User Industry market FY2017* (INR billion)	% Logistics spend	% contract of logistics spend	FY 2017* Contract market (INR billion)	Volume growth share (A)	Price growth share (B)	Penetration of organised contract logistics companies share (C)	FY 2022 Contract market (INR billion)	FY17-FY22 CAGR
Auto	5,820	5%	27%	72	45%	40%	15%	153	16%
FMCG	4,420	8%	3%	11	25%	30%	45%	31	23%
Organized retail ²³	1500	4%	12%	8	29%	33%	38%	20	20%
CD	880	5%	15%	7	17%	38%	45%	14	16%
Telecom	850	3%	18%	6	40%	20%	40%	12	16%
Apparel	3000	1%	15%	4	17%	38%	45%	8	16%
IT and Mobile	1,340	2%	11%	3	55%	10%	35%	6	17%
Total	17,800	5%	13%	110	38%	37%	25%	244	17%

Source: Industry estimates

*FY 2017 numbers are projections basis historical growth rate

Note: FY 2017 Contract logistics market has been estimated basis logistics spend and proportion of contract logistics of the logistics spend in the underlying end use segments. Furthermore, growth till FY 2022 has been projected basis estimated volume growth, price increase and increase in organized contract logistics penetration.

(A) Of the growth between FY 2017-2022 in contract logistics market, percentage is expected to be from volume growth

(B) Of the growth between FY 2017-2022 in contract logistics market, percentage is expected to be from price growth

(C) Of the growth between FY 2017-2022 in contract logistics market, percentage is expected to be from penetration of organized companies

Critical success factors

- **Availability of anchor clients:** Contract LSPs need to build network capacity of transportation and warehousing to service clients. Availability of 2-3 anchor clients is critical to ensure a minimum utilization and further deployment of resources.
- **Agility to customize processes and maintain discipline around them:** Critical requirement for customers is customization of services and consistency of service levels. Processes and operations need to be streamlined to deliver the required quality. Contract LSP's capability to design suitable processes and ensure consistency across locations, seasons and scale of operations is critical for winning and retaining business.
- **Experience across multiple industries:** Every end user industry has different challenges and LSPs which service a wide range of industries bring cross learnings and best practices from other industries. Such contract LSPs have the ability to offer differentiated solutions.

²³ Includes apparel, footwear and CD sold through organized retail

- **Use of technology and automation:** Technology is a key differentiator to enhance service quality and improve efficiency of operations. Technology provides scalability of operations and allows for data-driven decision making & better measurement of KPIs. Customers require technology to track cargo, indent requirements and manage inventory. Technology is also critical to improve productivity of manpower and resources (vehicles and warehouse).
- **Innovation and value-engineering:** Customers across industries target to cut logistics cost as proportion of revenue. As the industry shifts towards per part/ per unit pricing model, contract LSPs are required to innovate their practices, leverage economies of scale and develop higher efficiency in operations. These include decisions such as automation of warehouses, choice of vehicle type, tools provided to manpower etc.
- **Increase in compliance standards:** Customers are increasingly becoming more aware and compliant to required standards to avoid contingency costs and protect reputation. These include decisions such as hiring of minimum standard warehouse infrastructure, utilizing vehicles with right regulatory clearance, involving Contract logistics service providers with right standards and practices. Hence, contract LSPs need to demonstrate their capability to safeguard interests of the customers.
- **Reliability & End-to-End supply chain management:** SCM and stock availability are critical for the retail business. Any lost sales could be detrimental to the business. **Hence, reliability becomes especially important in servicing B2C end user industry.** Even manufacturing companies increasingly seek logistics providers which can manage the entire supply chain error-free, hassle-free and efficiently under one roof.

Landscape of players in Contract Logistics

Some of the leading Indian companies which provide contract logistics services are²⁴:

- **Mahindra Logistics:** Mahindra logistics provides customized integrated third party supply chain solutions such as warehousing, freight forwarding, VAS, stores & line feed and people transport solutions across auto & engineering, consumer, pharma, e-commerce etc.
- **TVS Logistics:** Offers complete logistics solutions and specialists in warehousing, distribution, transportation, in plant logistics support for automobile OEMs, auto parts. Post the acquisition of Diesl in 2015, TVS is now one of the biggest contract LSPs in India where Diesl caters to a wide range of industries including FMCG, retail, engineering, DTH, auto etc.
- **TCI Supply Chain Solutions:** is a single window enabler encompassing all the needs of a customer across key verticals such as auto, retail, telecom, electricals, pharma, FMCG, record management and cold chain.
- **International players:** Leading international LSPs like DHL and Kuehne & Nagel primarily offer EXIM - and domestic 3PL cargo service to global companies in India. Most of the international LSPs are not focused on domestic distribution as it requires significant footprint in India and understanding of domestic processes.

Business models for contract LSPs have evolved on the back of customer needs. There are two typical kinds of business models which differentiate contract logistics operators:

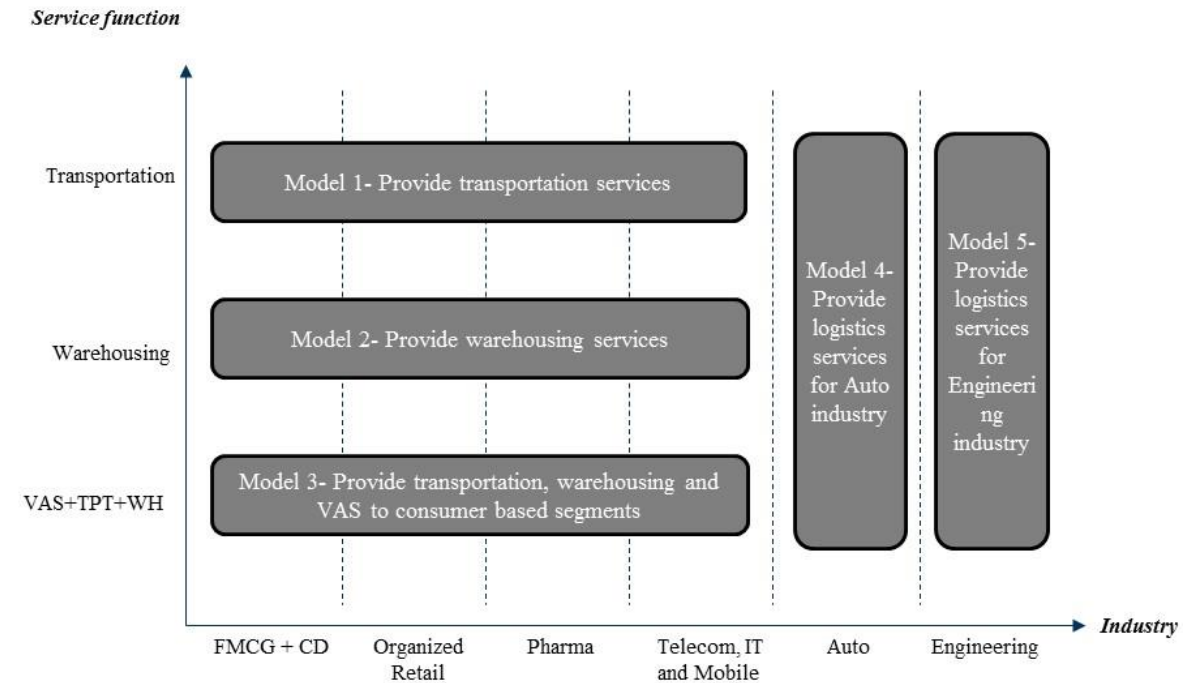
- Contract LSPs focusing on factory gate services for manufacturing setups – Contract LSPs providing transportation, warehousing and value added services support for factories
- Contract LSPs focusing on outbound and distribution logistics for consumption based user segments – Contract LSPs providing logistical support for finished products for outbound logistics & storage and distribution capability through distribution centers and hubs

Contract LSPs have evolved as vertical or horizontal specialist service providers catering to service functions such as transportation, warehousing etc. or end user industries like auto, engineering etc. Very few service providers have

²⁴ Company website

capabilities to offer transportation, warehousing and value added services across end user segments.

Figure 5: Relative positioning–Contract LSPs



Source: Industry estimates

While some contract LSPs focus on single industry service such as auto, engineering etc., other LSPs focus on a wider range of end user industries such as FMCG, apparel, IT & mobile, CD etc.

Express logistics

Express logistics offers door-to-door delivery across domestic regions along with real time shipment tracking facilities and serves the need for time sensitive logistics services for customers requiring transport of Less than Truck Load (LTL) cargo. Express Logistics services customers for whom speed to market is crucial for converting sales across regions, meeting customer expectations and maintaining business competitiveness.

Globally, 4 companies dominate the express package business- FedEx & UPS based in United States and DHL & TNT in Europe²⁵. These providers characterize an oligopolistic market with high barriers to entry. Setting up express business requires high investment in building network and scale. Typically, 4-5 national operators control significant share of market in mature markets

The key consumer industries of express logistics are: auto components, banking and financial services, IT components, apparel, pharmaceuticals, telecom products, e-commerce etc.

The Indian express logistics industry is estimated at c. INR 100 billion (US\$ 1.5 billion) in FY 2017 and has grown at CAGR of c. 14% between FY 2012- 2017. Organized national players contribute to 50% of the express logistics spend.²⁶

²⁵ The Economist, Global Express Package Companies

²⁶ Industry estimates

Table 8: Nature of contracts in Express Logistics

Types of customers	Services provided	Average tenure	Pricing model
FMCG, Apparel, Auto, Pharma, Fruits and Vegetables	Long distance transportation	Annual	The contracts are typically priced per kg per or package basis

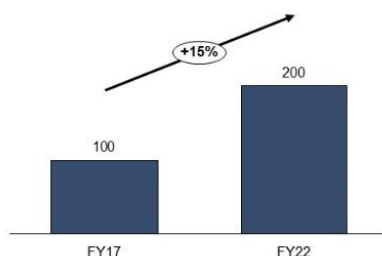
Source: Industry estimates

Demand drivers and key trends

Express logistics services are expected to grow on account of growth in underlying end user industries and increasing time sensitivity of deliveries. Following are the key trends in the space:

- Need for reliable and consistent service: Increasing complexity of business and higher operational inter-dependency requires scope for error to be minimized.
- Increasing geographic dispersion of consumers and businesses would require development in network capability to service them.
- Adoption by SMEs: SMEs are expected to shift to national express LSPs for better pricing, order fulfilment and supply chain efficiency.
- Share of surface transport to is expected to increase with the onset of GST; improved infrastructure is expected to help in cost rationalization.
- GST would result in companies dispatching more cargo in smaller parcel sizes directly to buyers as there would be no tax incentive of stock transfer for sellers.

Figure 6: Express logistics market (INR billion)

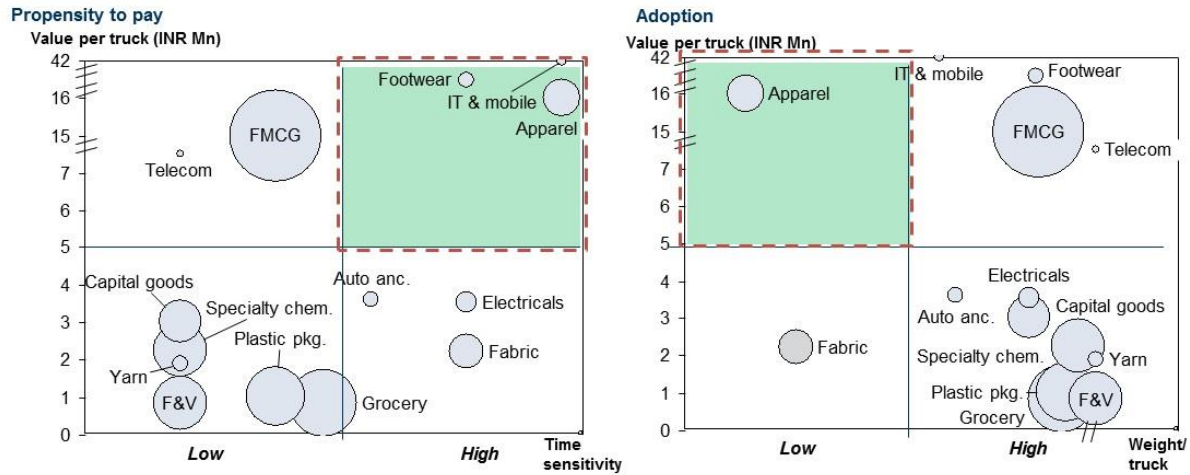


Source: Industry estimates

Key addressable segments

Express logistics market is expected to grow at 15% CAGR till FY 2022 to reach c. INR 200 billion (US\$ 3.1 billion). End user industries that run tightly managed operations and need time sensitive logistics account for key customer segments. Such customers also tend to provide higher realization. (Refer Figure 7 below)

Figure 7: Key addressable segments



Source: Industry estimates

As seen in the graph above, apparel and IT & mobile are attractive industries for express logistics and have high time sensitive logistics' need as compared to capital goods, specialty chemicals etc. Moreover, industries such as FMCG, apparel and footwear etc., which have high adoption of express logistics services, have a propensity to pay higher for such services.

Critical success factors

While it is essential to have a large distribution network, addition of cities to the network adds complexity to the business and requires significant deployment of resources. It also creates interdependencies in the network which require high operational and management capability. Key critical success factors are:

- **Network presence:** A large network is essential in servicing customers with Pan-India operations. A 16 x 16 network contributes to c. 45% of the express logistics market²⁷ (16 x 16 - Refers to the network of top 16 clusters in India across which transportation network is designed).
- **Utilization of network:** Capability to source business is an essential precursor to delivering logistics services. If the network doesn't reach an optimum utilization, it becomes unprofitable to operate (e.g. per truck margins are negative etc.) Hence, developing and managing relationships with business correspondents/end customers is critical; agents are typically deployed where possible.
- **Reliability of line haul:** Line haul, the intermediate long distance road travel, is required to operate in coordination with the feeder network. Any delay could disrupt the course of the business and may cause lag/loss in sales
- **Consistency of service levels and improvement in TAT:** Entire chain of logistics is required to be process driven in a manner such that scope for errors and trials are minimized and the service level standards are consistent. Providers are required to improve turnaround time to reduce carrying costs and improve throughput

²⁷ Industry estimates

- **Vendor management:** Managing multiple vendors along the line haul and feeder network is a critical aspect in managing service quality and controlling costs. Service providers could use local agent network to manage vendor relationships

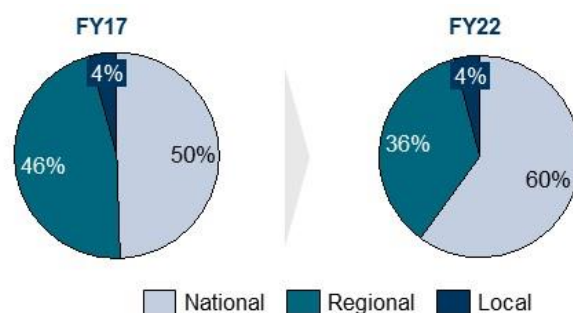
Landscape of players in Express Logistics

Some of the leading companies which provide express logistics services are²⁸:

- **Gati:** A pioneer in express distribution and supply chain solutions, Gati has strong presence in Asia-Pacific region and SAARC countries. It operates an integrated and IT backed multi modal network of air, road and rail coupled with warehousing facilities across India.
- **Safexpress:** Offers a wide range of innovative supply chain services including express distribution, 3PL and consulting for 9 different business verticals ranging from apparel & lifestyle, e-commerce, healthcare, tech, publishing to automotive, engineering & electrical hardware, FMCG and consumer electronics & institutional
- **TCI Express:** one of the foremost divisions of TCI, TCI express is India's leading door-to-door express specialist with clear focus on express cargo distribution (B2B and B2C) with greater emphasis on e-commerce business

Express logistics providers' market is led by national service providers followed by regional service providers. While national service providers have better reach and pricing, regional service providers have deeper penetration in their focus regions. Local service providers are further limited in reach but have high local connect and cater to SMEs

Figure 8: Relative positioning of Express logistics service providers



Source: Industry estimates

- National service providers have high geographic coverage and multi-location facilities backed by strong IT capabilities. They offer VAS such as flexible billing, storage facilities, risk cover, free packaging, non-standard item shipment, multiple pickups per day. FSC is one of the top 5 national operators in express logistics.
- Regional/ Local service providers have low IT capability and tie-up with other service providers to cater to a wider region. Growing scale is a major challenge for them and, given low entry barriers, the segment sees intense competition.

Cold chain logistics

Cold chain is a temperature controlled supply chain offering services including refrigerated storage, transportation and distribution services along with associated value added support activities.

Demand for cold chain logistics is primarily driven by bulk agricultural commodities (predominantly potato storage),

²⁸ Company website

consumer segments such as frozen food, dairy, confectionery, high value fruits and vegetables, pharmaceuticals and B2B segments.

Cold chain logistics market is estimated at c. INR 200 billion (US\$ 3.1 billion) of which product and processed food based segments (addressable) cold chain spend is c. INR 33 billion (US\$ 0.5 billion) in FY 2017. Organized LSPs contribute 40% of the addressable cold chain spend (c.7% of the total cold chain spend) estimated at c. INR 13.5 billion (US\$ 0.2 billion) in FY 2017 (*Refer Table 10 below*). Organized cold chain logistics, has grown at a higher pace than the overall logistics industry at c. 25% annually between FY 2012-2017²⁹.

Table 9: Nature of contracts in Cold Chain Logistics

Types of customers	Services provided	Average tenure	Pricing model
QSR & Café, Confectionary, Dairy, Frozen foods, Pharma, Meat and Seafood	Warehousing, VAS and Transportation	1-3 years	Pricing is evolving from per unit space (pallet), route based to cost per part and revenue sharing

Source: Industry estimates

Demand drivers and key trends

Cold chain logistics' service providers have been facing challenges including increasing infrastructure requirements and energy dependence, increasing quality standards and regulations. Following are the key trends in the space:

- Increasing focus on product quality and sensitivity: Increased focus on maintaining the temperature integrity of products across the value chain, particularly for premium products which have shorter shelf life in the market.
- Premiumization in end user industries such as chocolates, QSR etc. and increased quality concerns has improved the companies' willingness to pay.
- Temperature controlled supply chains are increasingly becoming global on account of increasing food exports & entry of MNCs, resulting in higher requirement of compliance and quality standards.
- Technology investments remains critical: There is a requirement for cold chain operators to continually upgrade technology to ensure efficiency, integrity, and safety, including both back-end IT infrastructure and front-end devices to gather and report key shipment data in real time. Increased scale of LSPs is resulting in economies of scale.
- Sustainability initiatives: Cold chain operators are looking for new ways to improve efficiency of energy requirements of perishable products; e.g. onboard fleet management systems.
- GST is expected to increase the penetration of organized service providers in this industry.

Key consumer segments

Organized cold chain market is expected to grow to c. INR 36 billion (US\$ 0.6 billion) in FY 2022, nearly 2.7 times the size of FY2017 market, at a CAGR of 22%. The key end user segments for cold chain and their addressable spend is provided below:

²⁹ Industry estimates

Table 10: Organized Cold Chain Logistics–Key Consumer Segments

Industry	User Industry market FY2017* (INR billion)	% cold chain spend	% spend on organized LSP	FY 2017* Cold chain market (INR billion)	Volume growth share (A)	Price growth share (B)	Organized Cold chain penetration share (C)	FY 2022 Cold chain market (INR billion)	FY17-FY22 CAGR
QSR & Café	115	4%	71%	3.3	55%	30%	15%	6.7	15%
Confectionery	118	4%	55%	2.9	70%	23%	7%	7.7	22%
Dairy	112	8%	27%	2.3	75%	15%	10%	7.7	28%
Pharma	890	1%	30%	1.8	50%	15%	35%	4.0	17%
Frozen Foods	22	5%	70%	0.7	70%	23%	7%	1.8	20%
Meat	310	1%	39%	0.6	25%	35%	40%	1.2	13%
Seafood	340	1%	17%	0.5	50%	25%	25%	1.7	27%
Organized retail ⁽¹⁾	85	1%	52%	0.1	44%	12%	44%	0.2	12%
Others ⁽²⁾	220	3%	40%	1.2	55%	20%	25%	5.1	33%
Total	2,210	2%	40%	13.5	60%	20%	20%	36.1	22%

Source: Industry estimates

*FY 2017 numbers are projections basis historical growth rate

Note: FY 2017 cold chain market has been estimated basis logistics spend (as % of revenue) and proportion of organized logistics spend in the underlying end user industries. Furthermore, growth till FY 2022 has been projected basis estimated volume growth, price increase and increase in organized cold chain logistics penetration.

(A) Of the growth between FY 2017 - 2022 in cold chain logistics market, percentage is expected to be from volume growth

(B) Of the growth between FY 2017 - 2022 in cold chain logistics market, percentage is expected to be from price increase

(C) Of the growth between FY 2017 - 2022 in cold chain logistics market, percentage is expected to be from penetration of organized companies

(1) Organized retail cold chain logistics for modern trade from distribution centers to retail stores for frozen food, dairy, confectionery etc.

(2) Others include premium fruits and vegetables, specialty chemicals, select electronic components etc.

Critical success factors

- **Presence at the right location:** Realization could vary across locations and routes based on demand-supply in each micro market. Presence in key distribution centers is important for network development. Presence in locations that are under supplied provides opportunity for service providers
- **Asset mix:** Realization varies for the service mix for product categories- frozen, chilled, ambient etc. Setting a single large chamber vs. multiple smaller chambers could be a key strategic decision depending on demand seasonality
- **Quality of assets:** End user industries adhere to compliance requirements at par with global standards of warehousing and hence consistency and adherence to such standards becomes critical in delivery of services to clients.
- **Ability to provide VAS and integrated services** is sometimes essential to service certain industry segments (e.g. QSR requires integrated services). Moreover, it could increase realizations and ensure customer stickiness.

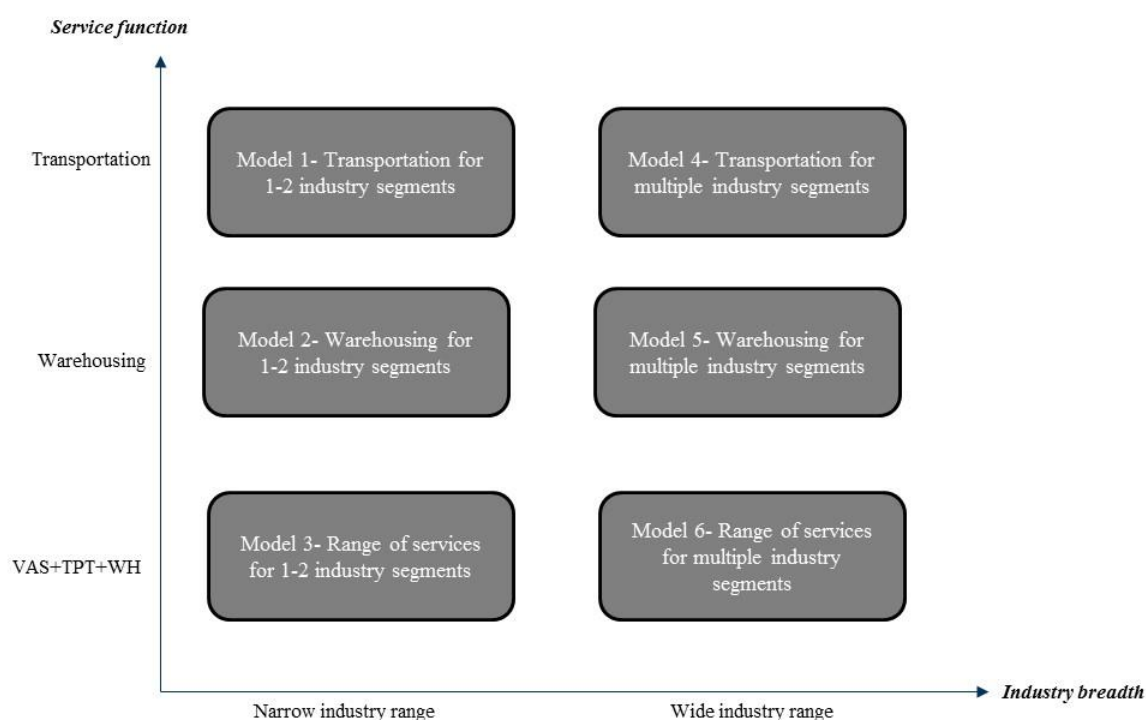
Landscape of cold chain service providers

Some of the leading companies which provide cold chain logistics services are³⁰:

- **Snowman logistics:** Is an integrated pan-India temperature controlled logistics service provider. Its warehousing solutions offer services across a spectrum of temperature – from ambient to chilled and frozen (i.e. +25°C to -20°C) along with primary & secondary transportation and VAS
- **ColdEX:** Is India's premier cold chain company offering one-stop solution to temperature supply chain requirements across industry verticals such as QSR chains, confectionary, food processing, pharmaceutical, meat, poultry, fruits & vegetables etc.

Cold chain service providers could be classified basis their service function – providers which offer single functions such as transportation or warehousing, or which offer a range of functions including value-added & integrated services. (Refer Figure 9) The providers can also be classified based on their industry focus – some providers predominantly cater to 1-2 industry segments, while others cater to multiple industries.

Figure 9: Relative positioning–cold chain logistics service providers

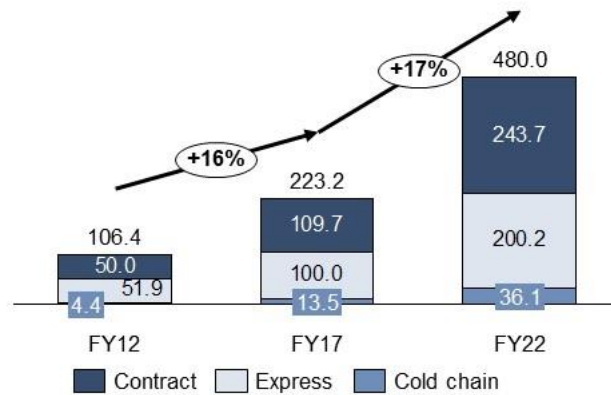


Source: Industry estimates

The cumulative organized addressable market (including contract, express and cold chain) for FY17 is estimated at INR 223 billion (US\$ 3.4 billion) and is expected to grow at 17% CAGR to reach INR 480 billion (US\$ 7.4 billion) in FY22

³⁰ Company website

Figure 10: Overall addressable market (INR billion)

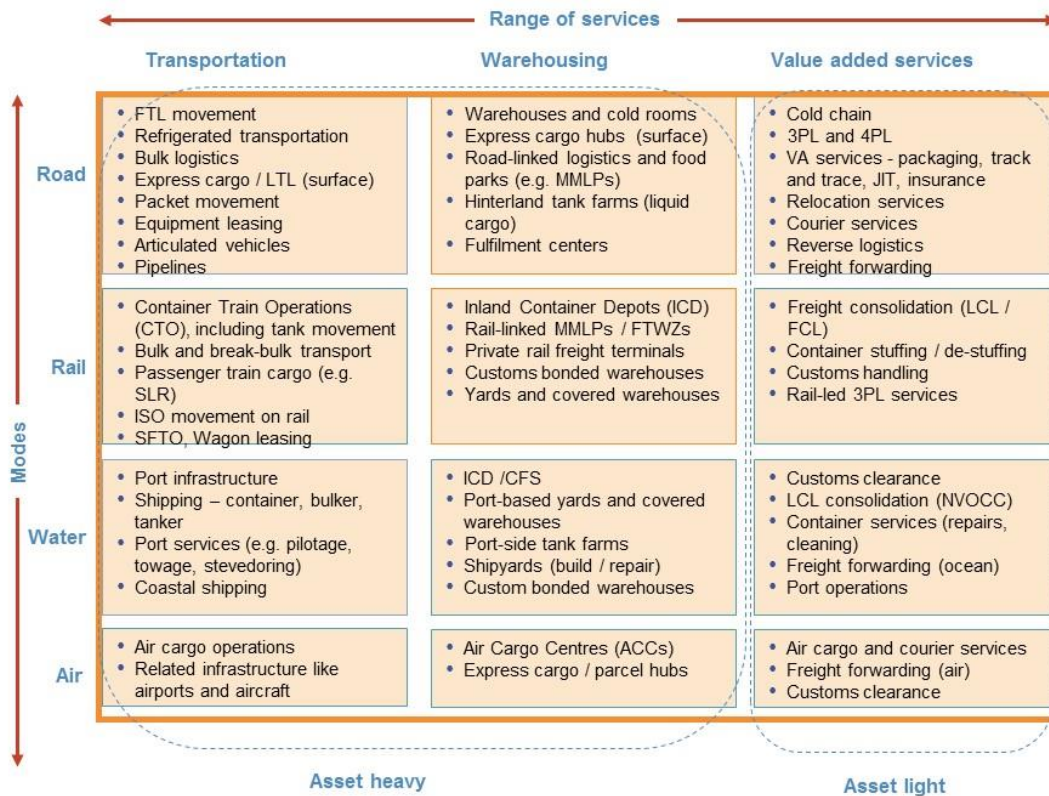


Source: Industry estimates

Competitive Positioning

LSPs can be segmented basis modes of operation and the range of services they provide. A company may operate across more than one mode and service line.

Figure 11: Competitive positioning of logistics service providers



Source: Industry estimates

LSPs primarily operate through two kinds of business model in providing services such as transportation, warehousing

and other value added services. Risk and return profiles of both the models are fundamentally different.

1. **Asset-heavy model:** The service providers own and maintain the infrastructure including the warehouses, fleet of vehicles, CFS etc. Operating out of own infrastructure provides more control to the LSPs. Margins and ROCE (15-20%) are similar to that of infrastructure providers. Performance of asset heavy LSPs is dependent on quality and availability of asset class and suitability of geography
2. **Service-based model:** In the asset-light model, LSPs use infrastructure developed by others and customize it per customer requirements to deliver logistics services. Service-based model has following key characteristics-
3. **High ROCE:** Contract LSPs typically operate on the back of 2-3 anchor clients with differentiated service models and hence are able to sustain high ROCE (20-25%)³¹
4. **Customers are sticky:** For large organized end user customers, managing the entire supply chain is complex and needs investment & infrastructure. Customers typically enter into long term contracts with LSPs as the switching costs are high.
5. **High entry barriers:** End user industries have limited customers which are both organized and operate on large scale. For organized customers which are in long term contracts with leading contract LSPs (small proportion of the market), dislodging them with a breakthrough proposition is challenging for new entrants.

Asset light service providers operate in the following key segments. Contract logistics, trucking, e-commerce, express logistics, cold chain. Following is the financial snapshot of the key players in the in the addressable logistics segments including their revenue, revenue growth and % EBIT margins

Table 11: Financial snapshot of key companies ³²

Companies	Revenue (INR million)					% EBIT			
	FY14	FY15	FY16	FY17	CAGR	FY14	FY15	FY16	FY17
TVS Logistics	25,149	31,274	NA	NA	NA	4%	4%	NA	NA
TCI*	20,273	21,967	22,577	NA	5.5%	6%	6%	6%	NA
Mahindra Logistics	17,570	19,396	20,771	26,763	15.1%	3%	3%	3%	3%
VRL Logistics	14,938	16,712	17,225	18,031	6.5%	9%	12%	11%	7%
Allcargo Logistics*	9,611	11,172	12,057	11,736	6.9%	10%	15%	14%	14%
Safexpress	8,712	9,506	9,968	NA	7.0%	10%	10%	9%	NA
FSC	3,302	4,080	5,199	5,612	19.3%	5%	11%	10%	13%
Gati*	NA	4,433	4,852	5,120	7.5%	NA	10%	8%	10%
GDL*	1,961	2,759	2,657	3,212	17.9%	29%	41%	31%	22%
Snowman Logistics	1,534	2,029	2,249	1,892	7.2%	16%	13%	9%	-1%

Note: Revenue CAGR has been calculated for companies which have at least 3 years of financial data.

**Financials reported for the companies are on a standalone basis.*

³¹ Industry estimates

³² Annual Reports, VCCedge, DRHP (Mahindra Logistics)

Risks and Upsides

Logistics industry has seen growth of c. 12% between FY2012 and 2017 on account of stable GDP growth, high growth in end user industries and supply side growth driven by LSPs. However, service providers face the following medium term challenges³³:

- **Macro scenario:** Though national level indicators such as GDP growth, income and consumption spending, etc. suggest positive growth outlook for the next 5 years, FDI activity is uncertain and is dependent on global policies and volatility of markets.
- **Regulatory changes:** GST, effective from July, 2017 is expected to affect B2B trade; consumption led demand could witness short to medium term variances.
- **Slowdown in user industry:** Few user industries like auto, telecom etc. have seen slowdown in growth due to lower growth in volumes (e.g. Passenger vehicles saw muted volume growth (0%) while commercial vehicles saw volume decline of c.7% between FY 2013 and 2015)³⁴ and hence could affect the volumes handled by LSPs.
- **Infrastructure issues:** Air infrastructure is inadequately developed both in terms of cities covered and handling capacities at major airports especially for cargo. Average dwell time for air cargo is 2-3 times in India compared to international standards³⁵.

Though basic road infrastructure has seen improvement over the years, average speed remains low at 35-40 kilometers per hour. Additional checkpoints and restriction on movements impact logistics operations.

Rail transport is constrained due to the limited availability of parcel holds on trains and the high costs involved.

Quality and availability of infrastructure could impact performance of contract LSPs.

- **Intense competition:** Low barriers to entry in few of the segments such as road transport, freight forwarding, pure warehousing etc. have seen many new service providers enter the market and the incumbent service providers have been expanding operations as well. It is imperative for service providers to differentiate service offerings to retain market share and improve profitability. However, entry barriers are high in the segments in which FSC operates.
- **Scaling up:** Increasing scale from a regional mid-sized service provider to a national service provider is challenging as it requires tie-ups, substantial investments in infrastructure, manpower and technology, strong process systems etc.
- **High operating costs:** Express logistics industry is sensitive to high operating costs (total costs are 80-85% of the revenues) including high proportion of fixed costs. Increasing competition and limited pricing power have kept the profitability of the segment low.
- **Technology advancement:** While LSPs in India are adopting new technology backed practices, technologies are getting obsolete quickly and the service providers still lag global peers. Hence, there is a need for LSPs to continuously invest and evolve technology.

On the other hand, following are the upsides for logistics service providers in the next 3-5 years:

³³ Industry estimates

³⁴ Industry estimates

³⁵ Ministry of Civil Aviation report, 2016

- **Make in India:** The initiative was launched in late 2014 with the objective of making India a global manufacturing hub. The initiative aims to raise the GDP contribution of manufacturing to 25% from current 16%. It targets 25 sectors including auto, construction, electronics, oil & gas, pharma, textiles and garments, food processing, roads and highways, ports, railways etc. The initiative is expected to provide a boost to both infrastructure for LSPs and end user industries³⁶.
- **Faster growth in organized retail (why only retail):** Organized retail is expected to grow faster between 15-20% till FY 2022 driven by high income growth, urbanization, nuclearization and evolving buying pattern. Expansion in organized retail is expected to create need for more and sophisticated logistics services³⁷.

Glossary

3PL:	Third party logistics provider
API:	Application Program Interface
ASEAN:	Association of South East Asian Nations
ASP:	Average selling price
ATF:	Aviation Turbine Fuel
C&F:	Clearing and forwarding
CAGR:	Compound Annual Growth Rate
CDIT:	Consumer Durables and Information Technology
CFS:	Container Freight Station
CHA:	Custom House Agent
CIF:	Cost, Insurance and Freight
CoD:	Cash on Delivery
CTO:	Container Train Operator
DTH:	Direct to Home
EBITDA:	Earnings Before Interest, Tax, Depreciation and Amortization
EU:	European Union
EXIM:	Exports and Imports
FDI:	Foreign Direct Investment
F&V:	Fruits and vegetables
FF:	Freight forwarder
FMCG:	Fast Moving Consumer Goods

³⁶ Make in India website

³⁷ Industry estimates

FSA:	Fuel- Supply Agreement
FTL:	Full Truck Load
FY:	Fiscal Year (beginning April 1 st and ending on 31 st March of the following year)
GDP:	Gross Domestic Product
GoI:	Government of India
GNI:	Gross National Income
GPS:	Global Positioning System
GST:	Goods and Service Tax
GVA:	Gross Value Added
ICD:	Inland Container Depot
ICV:	Intermediate Commercial Vehicle
IMF:	International Monetary Fund
LCV:	Light Commercial Vehicle
LSP:	Logistics Service Provider
LTL:	Less-than Truck Load
M&A:	Mergers and Acquisitions
MAV:	Multi Axle Vehicle
MMLP:	Multi-Modal Logistics Park
MNC:	Multi-National Company
NVOCC:	Non Vessel Owning Common Carrier
PAT:	Profit After Tax
PDI:	Pre-Delivery Inspection
PE:	Private Equity
PFT:	Private Freight Terminal
POL:	Petroleum, Oil and Lubricants
PoS:	Point-of-sale
PPP:	Public-Private Partnership
QSR:	Quick Service Restaurants
ROCE:	Return on Capital Employed
SCM:	Supply Chain Management

Sf:	Square feet
SME:	Small and medium enterprises
SFTO:	Special Freight Train Operator
TAT:	Turnaround time
TPT:	Transportation
TEU:	Twenty Foot Equivalent Unit
TTs:	Tractor Trailers
VAS:	Value-Added Services
VAT:	Value-Added Tax
VMI:	Vendor-managed inventory
WH:	Warehousing
WMS:	Warehouse management system

Disclaimer

The A&M Report is subject to the following disclaimer:

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OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” on page 16 for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” on page 17 for a discussion of certain risks 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.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Red Herring Prospectus on page 182.

Overview

We are one of India’s largest organised third-party logistics service operators, according to the A&M Report. We offer automated and IT-enabled warehousing, distribution and other logistics solutions to a wide range of customers. Our service offerings, warehousing infrastructure, pan-India distribution network, “hub-and-spoke” transportation model and automated technology systems support our competitive market position. Our customers operate in various sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, fast-moving consumer goods (“FMCG”), e-commerce, healthcare, electronics and technology, home and furniture and ATMs.

We believe our business model enables us to act as a service provider that can comprehensively cover our customers’ supply chain needs. We provide solutions that enable our customers to leverage our distribution network and which, we believe, optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market. We offer our customers services in three key areas:

- **Contract Logistics:** warehousing, distribution and other value-added services;
- **Express Logistics:** point-to-point, less-than truck-load, time-definite transportation services; and
- **Temperature-Controlled Logistics:** cold-chain warehousing, transportation solutions and distribution of perishable products.

Our distribution centres and delivery network form a supply chain system across India. As of September 30, 2017, we run our contract logistics operations through 42 distribution centres across India, covering approximately 3.84 million square feet of warehouse space and also operate 2 distribution centres of our customers, covering approximately 0.37 million square feet of warehouse space. According to the A&M Report, our distribution centre at the Multi-modal International Hub Airport at Nagpur (“MIHAN”) is one of the largest and most highly automated distribution centres in India. Our distribution centre at MIHAN covers approximately 0.37 million square feet of warehousing space, housing a high-speed cross-belt sorter system, which is the first of its kind in India, with a sorting capacity of approximately 2,000 cases per hour. Our high-speed cross-belt sorter system became operational in July, 2017. We also utilise a “hub-and-spoke” distribution model comprising 14 hubs and 106 branches across India (including franchisees and 12 of which are co-located on the same premises as our hubs), covering 11,235 pin codes across 29 states and 5 union territories as of September 30, 2017. Further, during September 2017, we operated approximately 687 containerised vehicles, including 257 GPS-enabled vehicles of which 144 are refrigerated (reefer) trucks that are owned by us. We also operate 9,616 pallets as a part of our temperature-controlled logistics services.

We have adopted technology and processes throughout our offerings, including (i) a warehouse management system to track, process and manage inventory, (ii) a sortation system to allow picking of orders with accuracy, (iii) integration with customers’ systems for automated inventory replenishment, (iv) GPS-enabled trucks that provide real-time visibility of shipments and (v) a mobile portal to allow our customers real-time visibility into their supply chain.

We are promoted by Future Enterprises Limited, which is promoted by Kishore Biyani. Other entities promoted by Kishore Biyani include Future Retail Limited, Future Consumer Limited and Future Lifestyle Fashions Limited (collectively, the “Future Entities”). While our business was originally established to provide supply chain and logistics solutions for our Promoter and certain of our Group Companies, we have diversified our customer base across various sectors. Our customers except our Promoter and Group Companies accounted for 30.3%, 37.5%, 50.5% and

53.5% of our revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

We have received a number of industry awards in recent years, including the Best 3PL Company of the Year at the Goa State Logistics, Supply Chain and Warehousing Leadership Awards, 2017, the awards for Best 3PL Company of the Year and for Industry Excellence in Supply Chain – FMCG at the 11th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze), ICC Supply Chain & Logistics Excellence Awards 2017 for 3PL Solutions in 2017, the award for Overall Excellence in Logistics & Supply Chain at the CII-SCALE Awards in 2016, the award for Best Cold Chain 3PL Service Provider of the Year at the Cold Chain Strategy Awards in 2017, 3PL Company of the Year in Retail and FMCG at the 10th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze) and the 3PL Award and the Industrial Retail Warehouse Award at the CII-SCALE Awards in 2015. For details regarding other awards received by our Company, please refer to the section entitled “*History and Certain Corporate Matters*” on page 139.

For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our revenue from operations was ₹3,574.15 million, ₹5,611.83 million, ₹5,198.70 million and ₹4,079.63 million, respectively, representing a CAGR of 17.3% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our net profit was ₹333.30 million, ₹457.54 million, ₹294.27 million and ₹246.57 million, respectively, representing a CAGR of 36.2% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our EBITDA was ₹561.81 million, ₹742.82 million, ₹699.40 million and ₹639.40 million, respectively, representing a CAGR of 7.8% during the last three Fiscals.

Our Strengths

One of the largest service providers with an extensive network of facilities in a fast-growing third-party logistics market.

We are one of India’s largest organised third-party logistics operators, according to the A&M Report. According to the A&M Report, the Indian third-party logistics market has grown at a CAGR of approximately 12% between Fiscal 2012 and Fiscal 2017. The growth of the third-party logistics industry in India is expected to continue in line with the historical growth trajectory due to strong demand and supply side drivers.

Our extensive network of 46 distribution centres, including 4 temperature-controlled distribution centres, 14 hubs and 106 branches (including franchisees and 12 of which are co-located on the same premises as our hubs), covering 11,235 pin codes across 29 states and 5 union territories creates a pan-India supply chain network. The locations of our facilities and delivery network enables us to provide our customers with access to multiple destinations for booking and delivery of goods across India. For a map showing our facilities across India, please see “*Our Business – Our Operations*”. In addition, our distribution centre in Nagpur is one of the largest and most highly automated distribution centres in India, according to the A&M Report.

We lease most of our locations and delivery vehicles, which enables us to expand our operations in order to adapt to changing industry conditions, environments and customer needs. We believe this enables us to reduce costs and increase our margins. Please see the section entitled “- *Business Strategies — Capitalise on the opportunities arising from the growth of the third-party logistics industry*” on page 122.

Comprehensive solution for supply chain requirements.

Our supply chain provides a comprehensive solution for third-party logistics services through contract logistics, express logistics and temperature-controlled logistics. We also provide end-to-end customised logistics and supply chain solutions that we create based on our customers’ requirements.

Our ability to manage the complete supply chain enables our customers to reduce the number of service providers they engage. In addition, we believe that we are an integral part of our customers’ supply chain operations, since substitution of logistics service providers, especially with respect to contract logistics, can be costly and time-consuming to customers. Our logistics offerings also presents us with cross-selling opportunities, which we believe is a key driver behind our ability to enhance our value proposition and strengthen our relationships with our existing customers. For instance, our engagement with a consumer product company started by providing warehousing services

and expanded to handling their distribution supply chain through our express logistics services.

Diverse customer base across many sectors.

Our customer base spans many sectors, including retail, fashion and apparel, automotive and engineering, food and beverage, FMCG, e-commerce, healthcare, electronics and technology, home and furniture and ATMs. We have a diversified customer base in each of the sectors we serve, including Indian corporate groups and multinational companies apart from our Promoter and certain Group Companies such as Pepe Jeans India Limited, Bakers Circle (India) Private Limited, Clarks Future Footwear Private Limited, HPL Electric & Power Limited, PepCart Logistics Private Limited (Pepperfry), Surya Roshni Limited, TTK Prestige Limited, Bestseller Fashion India Private Limited, Best United India Comforts Private Limited (JACK & JONES), VERO MODA Retail Private Limited, ONLY Retail Private Limited, M/s Asandas & Sons (HyFun FOODS), Reckitt Benckiser (India) Private Limited, Amway India Enterprises Private Limited, Kellogg India Private Limited, Mondelez India Foods Private Limited and Wildcraft India Private Limited.

A breakdown of our revenue attributable to the various sectors we served in Fiscal 2017, other than our Promoter and certain of our Group Companies, is set forth in the following table:

Sector	Percentage of revenue from operations (%)
Fashion & Apparel	23.6
Automotive & Engineering	22.3
Food & Beverage	15.3
FMCG	7.3
E-Commerce	6.7
Healthcare	6.1
Electronics & Technology	6.0
Home & Furniture	5.6
ATMs	4.3
Others	2.7
Total	100.0

We believe we are well positioned in the logistics industry in India, given our experience and infrastructure suited to serve a wide range of sectors.

Over the years, we have built strong customer relations, demonstrating the value proposition we provide and positioning us for expected further growth. Of our top 20 customers (other than our Promoter and certain Group Companies), which accounted for approximately 20.1% of our revenue from operations in Fiscal 2017, nine have been with us for over five years. For Fiscal 2017, our 10 largest customers (other than our Promoter and certain Group Companies) accounted for 14.8% of our revenue from operations.

At the forefront in introducing new standards of technology and automation in the logistics industry in India.

Our adoption of technology and automated processes differentiates us within the supply-chain management industry in India. According to the A&M Report, we are at the forefront of warehouse management systems and automation solutions for meeting client-specific needs in India. We have made investments to implement automated technology and processes in order to increase capacity and operating efficiency, thereby improving our profitability and allowing us to customise services to suit our requirements and those of our customers.

We have adopted various technologies and automation in our business, including (i) our “Dynamic Put-to-Light” (“PTL”) sortation system, which is an effective sorting technology, (ii) our Warehouse Management System (“WMS”) that coordinates across receiving, put-away, and put, pack and dispatch processes in our distribution centre operations, (iii) our Transport Management System (“TMS”), which provides shipment-level visibility from pick-up, to delivery, to billing as well as routing solutions, and is also linked to our enterprise resource planning system, (iv) our Vehicle Tracking System (“VTS”), which enables our customers to track their goods online and in real-time while in transit, (v) a high-speed cross-belt sorter at our distribution centre in MIHAN, Nagpur, which is the first of its kind in India, and which has increased our sorting capacity in the distribution centre to approximately 2,000 cases per hour

without having to increase physical storage space, (vi) remote access to our delivery vehicles and (vii) a real-time data logging system that enables us to monitor temperature variations in our distribution centres and our reefer trucks used in our temperature-controlled logistics services.

The quality of our technological capabilities has garnered us recognition for technology and excellence. In 2014, we were awarded the “Use of Technology for Corporate Excellence” Award by World CSR Congress. For further details, please refer to the section entitled “*History and Certain Corporate Matters*” on page 139.

Longstanding relationship with Future Entities

The Future Entities are our key customers and for whom we have devoted significant scale in our operations. The scale of our logistics services for the Future Entities enables us to capture economies of scale and drives automation and standardisation of processes to optimise our service offerings, thereby further strengthening our relationship with these entities.

Our revenue attributable to our Promoter and certain Group Companies for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹2,490.00 million, ₹3,504.69 million, ₹2,573.90 million and ₹1,895.15 million, respectively, which accounted for 69.7%, 62.5%, 49.5% and 46.5%, respectively, of our revenue from operations for such periods. Similarly, our revenue attributable to our Promoter and certain Group Companies for Fiscals 2014 and 2013, which figures are calculated in accordance with Indian GAAP, was ₹1,784.09 million and ₹2,424.23 million, respectively, which accounted for 54.0% and 68.6%, respectively, of our revenue from operations for such periods (as calculated in accordance with Indian GAAP).

Future Entities have experienced a growth in their revenues in the last three years. Further, our revenues from the Future Entities have also grown in the last three years. We have worked with the Future Entities on various projects over this period and we have worked with them to aim to reduce costs and increase efficiencies in their supply chains.

Further, we are in a position to leverage the “Future” brand, and according to the A&M Report, have become one of the largest logistics service providers in India. By leveraging our brand, we aim to differentiate ourselves as a provider of quality and reliable supply chain solutions, which further enhances our brand loyalty and market position.

Experienced management team with logistics and retail sector-specific knowledge.

We have a management team with experience in the Indian logistics and retail industry. The quality of our management team has been critical in achieving our business results. All members of our senior management team have substantial experience. Our Chairman, Rakesh Biyani, has over 25 years of experience in the retail, fashion, supply chain and logistics sectors. Further, our Managing Director and Chief Executive Officer, Mayur Toshniwal, has around 25 years of experience in the fast moving consumer goods and retail. Experience in these industries are key in driving business growth and provides thought leadership in the supply chain space on making operations more efficient and productive, including with the use of technology.

Our management team is responsible for formulating our strategy, managing our service areas, diversifying our business and sector mix, ensuring strong operating and technology platforms and expanding our customer relationships.

Further, our management team enables us to conceptualise and develop new services, effectively market our services, and develop and maintain relationships with our customers and vendors. For further information relating to our management, please see the section entitled “*Our Management*” on page 146.

Business Strategies

Capitalise on the growth of the third-party logistics industry in India.

According to the A&M Report, the third-party logistics market in India is expected to continue to grow in line with its historical trajectory, due to strong demand and supply-side drivers, such as the expected growth in the Indian economy, increasing urbanisation, increased consumerism due to higher per capita incomes, favourable changes, incentives from the government for infrastructure investment and higher levels of outsourcing of logistics activities.

This indicates market growth potential for established third-party logistics service providers in India such as us. According to the A&M Report, organised third-party logistics providers are also expected to grow much faster compared to unorganised providers, due to various reasons including increasing sophistication of clients, the trend towards centralised supply-chain decision making and favourable regulatory changes, including the introduction of GST, which was implemented from July 1, 2017. The introduction of GST in India is expected to favour growth in outsourced logistics, and in particular, large-scale logistics operations that will be capable of handling multi-industry customers. According to the A&M Report, customers in India are also increasingly willing to pay a premium for higher quality of infrastructure and service, such as technology, automation and other value-added services and higher product safety.

We intend to capitalise on these opportunities in the Indian third-party logistics market, given our experience in adopting technology and automation to service our customers. We also intend to capitalise on the opportunities arising from the rollout of GST in India. The size and scale of our operations and the reliability of our services will assist us in catering to the shift to pan-India distribution that GST may entail. Our MIHAN distribution centre is one of the largest and most automated distribution centres in India, according to the A&M Report. Further, we believe that the projected growth and the changes in the Indian third-party logistics market resulting from the introduction and implementation of GST in India will result in an increase in the dependence of existing and new customers on third-party logistics services.

Target growth by identifying new customers, increasing our share of existing customers' third-party logistics spending and leveraging existing relationships.

We have implemented sales and marketing strategies under each of our key service areas to ensure a continuous flow of business. We are also able to target a large customer base due to our experience of dealing with customers across multiple sectors, which provides us with a significant competitive advantage. Our strategy also includes marketing customised solutions to target customers and analysing their business processes to propose a comprehensive supply chain infrastructure and plan. Within our senior management, we have teams focusing on customer account management for existing customers and new business development. With our multi-industry exposure and by leveraging the network of our senior management, we have access to many large potential customers across varied sectors.

Apart from expanding our reach to new customers, we aim to increase our revenues and margins by expanding the range of services we offer to existing customers. As our customers continue to grow and their supply chains increase in size and complexity, we intend to focus on expanding the range of services for which they rely on us, cater to new geographies in which they operate and expand our services into their new product lines. As our logistics services can typically be integrated with our customers' supply chains, this enables us to cross-sell the other services and capabilities we have to offer.

Furthermore, the size, scale and operational capacities of the Future Entities has enabled them to develop a network of relationships with vendors. Many of these vendors have complex supply chains requiring sophisticated and efficient logistics operations. We plan to leverage these relationships in order to secure logistics contracts with these vendors and thereby add to our customer base. We plan to engage with these potential customers through various customer engagement activities demonstrating our capabilities, including site visits.

Expand addressable market through customised and new service offerings.

We recently set up an Integrated Food Distribution Centre ("IFDC") in Kolkata, which caters to multiple formats and categories for the food industry, including cold storage, in the same location. This new and customised offering enables higher throughputs, lower inventory, faster refills through lead-time reduction and transport cost optimisations for our customers, among other benefits.

As part of our customised offerings, we also manage and operate our customer's distribution centres, enabling them to focus on their core business. We further intend to focus on other customised offerings to other customers across various sectors.

We are also focusing on increasing our penetration in sectors, such as frozen foods, pharmaceuticals, quick-service restaurants, dairy and fruits and vegetables given our capability and experience across multiple sectors and our ability

to service the temperature-control requirements of these sectors.

Invest further in infrastructure and expand our network.

We plan to continue to invest in enhancing our infrastructure to enable us to respond quickly to our customers' changing needs, thereby continually improving the competitiveness of our supply chain solutions. We intend to increase capacity in our existing distribution centres in order to increase our volume handling capability as well as identify certain new locations to establish additional distribution centres. For instance, we recently opened a new IFDC in Kolkata catering to multiple formats and brands. We have targeted the opening of up to five new IFDCs across the North, East and South regions of India, with our IFDC in Kolkata being the first, in the next two years and to increase the geographic coverage of our IFDCs across India.

In our express logistics services, we intend to expand the reach of our distribution network. This will entail increasing the number of our hubs, branches and feeder routes in order to enable our fleet of technology-enabled vehicles to reach more locations across India. We also have the capability to establish a branch in a new location suiting our customers' requirements. We intend to expand our temperature-controlled warehousing facilities initially into new locations focused around key metropolitan areas such as Kolkata, Delhi, Mumbai, Bengaluru and Chennai, followed by a second phase of expansion, focused on evolving consumption centres such as Indore, Mohali, Hyderabad and Cochin.

Explore inorganic growth opportunities.

We may pursue commercially sustainable opportunities to invest in strategically located logistics facilities and technologies that complement our expansion goals and meet our customers' increasing demands and requirements. We may also pursue opportunities to acquire other logistics businesses in India (i) that allow us to enhance our scale and market position; (ii) that provide us with a platform to extend our reach to new geographic markets within India; and (iii) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base.

In Fiscal 2016, we commenced our temperature-controlled logistics operations by entering into a long-term operating lease for the operative assets, including refrigeration equipment, of Brattle Foods Private Limited. We subsequently acquired reefer vehicles from Laxman Logistics Private Limited through a slump sale in Fiscal 2017. Further, we also recently acquired a stake in Leanbox Logistics Solutions Private Limited ("**Leanbox**") pursuant to an Investment Agreement, dated July 21, 2017, which is intended to enable us to enhance our "last-mile" delivery platform with technology-based solutions. The technology platform of Leanbox supports an asset-light "last-mile" delivery platform through efficient order processing, vehicle planning and routing and productivity management.

Continue to improve operating efficiencies and implement technological and process enhancements.

We strive to make our operations more cost-efficient and effective in order to improve our profitability and increase our earnings. This strategy will be driven by focusing on productivity improvement and profitability, by maximising the benefits of economies of scale of using technology and infrastructure.

We intend to continue to adopt new infrastructure, in order to increase our operating efficiency and reliability. Examples of new technology and automation processes that we intend to introduce include a high-speed retrieval system and shuttle crane in our distribution centres, which is intended to increase our sorting capacity. The length of the conveyor belt in our distribution centre at MIHAN can also be extended from 2.6 km to approximately 8 km, which will enable us to increase the capabilities of the distribution centre. We intend to invest further in our systems and processes to ensure effective management control and to continue to fit integrated GPS tracking systems to all of our new vehicles.

Our adopted technology and automation capabilities are designed to effectively manage our operations, maintain operational and fiscal controls and continue to enhance customer service levels. We aim to increase our asset productivity and operating efficiencies as well as strengthen our competitive position. We also aim to improve further our operating efficiencies by increasing our integration with our customers' internal systems and processes. We have service-level agreements with some of our customers, which are intended to incentivise us to improve efficiency of services to our customers based on various predetermined parameters, including stock accuracy, order fulfilment and quality of stacking, among others. We continually monitor these predetermined parameters and explore new ways to

meet and potentially exceed these parameters.

Our Operations

We offer a range of third-party logistics services that we categorise into the following key service areas: (i) contract logistics, (ii) express logistics, (iii) temperature-controlled logistics and (iv) other operations. The scope of logistics services that we provide to any given customer varies based on that customer's needs and requirements, including its current supply chain processes, its outsourcing needs, its sector practices and the size and coverage of its distribution network across India.

The following table sets forth the revenue from operations attributable to our key service areas for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

	Six Months Ended September 30,		Fiscal					
			2017		2016		2015 (Proforma)	
Contract Logistics	2,630.83	70.7%	4,069.25	69.8%	3,240.63	60.4%	2,578.14	59.3%
Express Logistics	738.51	19.8%	1,263.00	21.7%	1,405.00	26.2%	1,556.33	35.8%
Temperature-Controlled Logistics	148.53	4.0%	363.82	6.2%	344.41	6.4%	—	—
Other Operations	204.60	5.5%	129.80	2.2%	378.03	7.0%	210.56	4.8%
Subtotal of Logistics Services	3,722.46	100.0%	5,825.87	100.0%	5,368.07	100.0%	4,345.03	100.0%
Intracompany ⁽¹⁾	(148.31)		(214.03)		(169.37)		(265.39)	
Revenue from Operations	3,574.15		5,611.83		5,198.70		4,079.63	

(1) Intracompany refers to adjustments for transactions between key service areas.

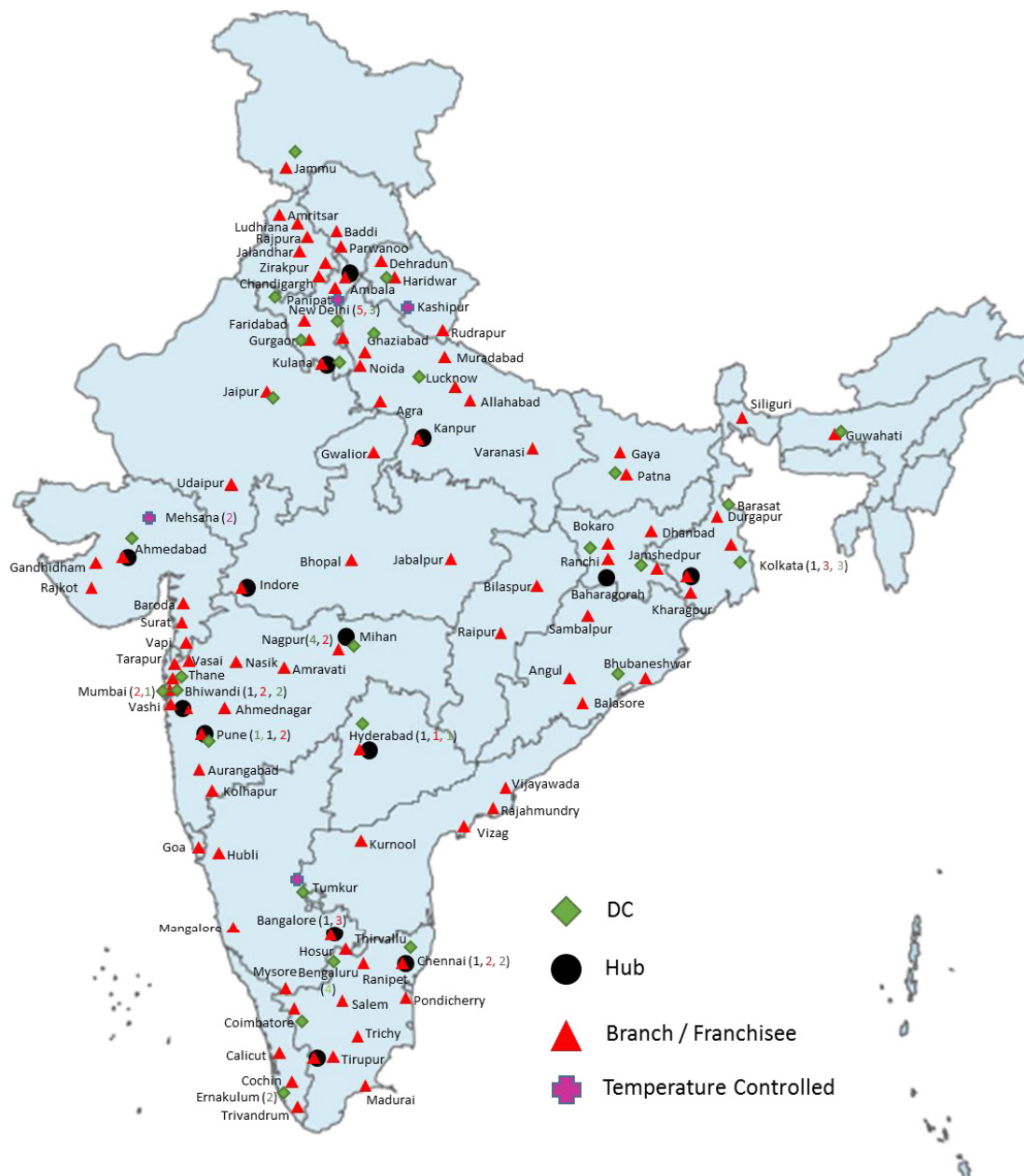
The following table sets forth our gross profits and margins from logistics services attributable to our key service areas for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

	Six Months Ended September 30,		Fiscal					
			2017		2016		2015 (Proforma)	
	Gross Profit (in ₹ millions)*	Margin (in %)**	Gross Profit (in ₹ millions)*	Margin (in %)**	Gross Profit (in ₹ millions)*	Margin (in %)**	Gross Profit (in ₹ millions)*	Margin (in %)**
Contract Logistics	997.23	37.9%	1,533.74	37.7	1,289.05	39.8	1,010.55	39.2
Express Logistics	185.02	25.1%	308.93	24.5	387.42	27.6	414.15	26.6
Temperature-Controlled Logistics	4.53	3.0%	(9.7)	(2.7)	71.22	20.7	—	—
Other Services	15.84	—	26.07	—	63.54	—	38.18	—
Total	1,202.62	33.6%	1,859.04	33.1	1,811.23	34.8	1,462.88	35.9

* Gross profit is defined as our revenue from operations less our costs of logistics services, as applicable to each key service area.

** Gross profit margin is defined as gross profit expressed as a percentage of revenue from operations, as applicable to each key service area.

The following map shows our network of distribution centres, hubs and branches and temperature-controlled warehousing facilities used throughout our logistics offerings:



Contract Logistics

Overview

Our contract logistics services include analysing our customers' sector-specific needs and business processes to plan and create a customised supply chain solution, which includes infrastructure along with inventory management and distribution services. Our distribution centres receive, store, track, manage and dispatch our customers' inventory and provide end-to-end solutions. We also provide value-added services, such as kitting and bundling, unit cartonisation and packaging solutions, depending on customer requirements.

Our contract logistics services, through which we provide warehousing, distribution and other value-added services to our customers, is the largest contributor to our revenue from operations. Our revenue attributable to our contract logistics services for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹2,630.83 million, ₹4,069.25 million, ₹3,240.63 million and ₹2,578.14 million, respectively, which accounted for 70.7%, 69.8%, 60.4% and 59.3% of our revenue from operations (without adjustments for intracompany transactions between key service areas), respectively, for such periods.

Processes and Infrastructure

The core of our contract logistics services involves offering technology-enabled distribution centres across India. Our distribution centres are generally multi-user and built-to-suit based on a customer's supply chain requirements and needs. We operate 42 distribution centres across India, covering approximately 3.84 million square feet of warehouse space and also operate 2 distribution centres of our customers, covering approximately 0.37 million square feet of warehouse space. Our revenue per square foot per month for our contract logistics services was ₹94, ₹73 and ₹63 for Fiscals 2017, 2016 and 2015, respectively.

We also implement supply chain solutions, which involves designing and modelling infrastructure and technological automation needs as well as implementing labour management. We have an in-house projects team of 17 employees dedicated to designing space allocation for racking, shelving, doors and open areas and promoting the efficient utilisation of space.

Certain of our distribution centres have a mix of the following key features, including building heights of 7 to 12 meters; quality flooring, insulation, louvers and turbo vents, multiple air changes and ventilation to combat extreme temperatures, preserve customer inventory and maintain quality working conditions; G+7 "Selective Pallet Racking System" and G+4 "Multi-Tier Shelving Storage System"; automated conveyor systems for sorting and processing of goods; material handling equipment such as reach trucks, forklifts, Very-Narrow Aisle ("VNA") trucks and battery-operated pallet trucks; weight checking systems to ensure accurate inbound and outbound orders; automatic print and apply systems to track and manage inventory; sky lighting to reduce electricity consumption; dock levellers to adapt to a variety of different types and sizes of transport vehicles; dedicated truck parking bays, multiple loading docks; and advanced fire safety systems. These features enable us to maintain high throughput and large volumes.

Our distribution centre in MIHAN is one of the largest and most highly automated distribution centres in India, according to the A&M Report, covering 0.37 million square feet of warehouse area and is centrally located with efficient linkage to production and consumption clusters in India. This distribution centre houses a high-speed cross-belt sorter system that improves the efficiency and throughput of the distribution centre. The cross-belt sorter system uses technology that shows realtime information and provides end-to-end sortation and distribution solutions. This system has a sorting capacity of approximately 2,000 cases per hour. Our high-speed cross-belt sorter system became operational in July, 2017. The cross-belt sorter was developed by Germany-headquartered Beumer Group, which has also provided an on-site team at the distribution centre in MIHAN to monitor and maintain the sorter in its initial stages of implementation.

Our distribution centres are customised with various technologies, sizes and features based on customer and sector-specific requirements. Our distribution centres service the needs of customers across the following sectors: fashion and apparel, automotive and engineering, food and beverage, FMCG, home and furniture and healthcare. The following table sets forth details regarding certain of our distribution centres:

	Kulana, Haryana	Burdwan, West Bengal	Bhiwandi, Maharashtra (K4)	Soukya Road, Bengaluru
Size	304,614 sq. ft.	146,464 sq. ft.	208,080 sq. ft.	175,625 sq. ft.
Storage Capacity	81,062 bins and 12,714 pallet positions	85,344 bins and 2,000 pallet positions	37,520 bins and 16,730 pallet positions	83,412 bins and 2,128 pallet positions
Technologies Used	WMS, SAP, TMS, VMS, Oracle and Uniware	WMS, SAP, TMS, VMS	WMS	WMS, SAP, TMS

	Kulana, Haryana	Burdwan, West Bengal	Bhiwandi, Maharashtra (K4)	Soukya Road, Bengaluru
Other Key Features	<ul style="list-style-type: none"> • Built-to-suit with 12 meter height and ample parking • Location near major highways and the main consumption hubs of northern India 	<ul style="list-style-type: none"> • Built-to-suit with 8 meter height and ample parking • Located on National Highway-2 and serves as main distribution location for east and northeast sector 	<ul style="list-style-type: none"> • Multi-customer facility 	<ul style="list-style-type: none"> • Located within prime warehouse area with ample parking • Located in between two major highways and easily accessible to the main consumption hubs of southern India, including short delivery turnaround time for stores in Bengaluru

We also provide certain value-added services as a part of our contract logistics services, including kitting and bundling, unit cartonisation and packaging solutions. We are also able to improve the accuracy and volume of throughput by providing emphasis to the layout for value-added services within our distribution centres. We design the layout of the value-added services area, the level of technology and automation required and the processes based on the variety and volume of goods being processed. These services are summarised as follows:

- *Kitting, Bundling and Promotional Packaging:* An order fulfilment process where individually separate but related items are grouped, packaged and supplied together as a single unit.
- *Unit Cartonisation:* Bulk orders are re-packed into individual units with a customer's brand and customised packaging for selling to end consumers.
- *Packaging Solutions:* Customised packaging solutions taking into account a customer's product needs, including unit sizes, special coverings and protections required, weight carrying capacities and styling and aesthetics.
- *Reverse Logistics and Refinishing:* Facilitating the transport of excess and unsold retail inventory to our distribution centres for refinishing or repackaging and ultimate transportation of such goods to end locations, such as discount retail stores.

Pricing and Contract Terms

We typically enter into lease agreements or lease and license agreements for our distribution centres for terms ranging between three to 15 years, with a lock-in period typically between one to nine years. We generally bear the infrastructure and technology costs within our distribution centres, although we sometimes require minimum guarantees from our customers or have early termination penalties where our capital expenditures are high.

Our distribution centre models include built-to-suit, multi-sector and multi-customer. Customers are generally charged for our contract logistics services in a number of ways, including (i) on a cost-plus mark-up, (ii) on the basis of a fixed charge for a given capacity, with variable charges if additional capacity is utilised, (iii) on the basis of a fixed rate per piece, carton or case with a minimum guaranteed throughput over a defined period or (iv) on the basis of fixed monthly billing based on an agreed monthly throughput and storage capacity. We also provide services for managing our customers' facilities and generally charge for such services on a cost-plus mark-up. We generally charge our customers for value-added services based on a fixed rate per kit, per label or per barcode, with a minimum guaranteed throughput over a defined period.

Express Logistics

Overview

Our express logistics service offering provides customers distribution services using our “hub-and-spoke” distribution network and our containerised fleet of technology-enabled trucks. Our revenue attributable to our express logistics services for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹738.51 million, ₹1,263.00 million, ₹1,405.00 million and ₹1,556.63 million, respectively, which accounted for 19.8%, 21.7%, 26.2% and 35.8%, respectively, of our revenue from operations (without adjustments for intracompany transactions between key service areas) for such periods.

Processes and Infrastructure

The distribution network for our express logistics services is based on a “hub-and-spoke” model consisting of 14 hubs and 106 branches across India (including franchisees and 12 of which are co-located on the same premises as our hubs), covering 11,235 pin codes across 29 states and five union territories of India as of September 30, 2017. We offer our customers real-time, online visibility of shipments from docket generation to point-of-delivery downloads to e-bills through the TMS software.

Our hubs serve as junctions where shipments from various hubs and branches arrive and are sorted and grouped based on their ultimate destinations and shipping routes. Our branches are smaller operating units where we carry out booking and delivery of shipments. Our branches receive shipments from hubs from which goods are unloaded and delivered to end customers. They also serve to pick up shipments from customers and dispatch them to hubs for onward movement to their ultimate destinations. As of September 30, 2017, we operated through 28 franchisee locations. Franchisees operate from their own premises in locations where our Company does not have a branch and the franchisees make pick-ups and deliveries for our Company’s customers from such locations.

Line haul routes connect distantly spaced hubs using long-distance trucks that transport goods between hubs. Hubs and branches are generally geographically closer and connected by shorter feeder routes (which also connect branches together). Furthermore, we use independent contractors known as pick-up and delivery associates (“PDAs”) as and when required, who make pick-ups and deliveries for particular branches.

Certain of our express logistics hubs are equipped with logistics tools, including pallets and forklifts to allow for movement of goods without damage. Further, we offer customers customised packaging solutions as a part of our express logistics services such as roll cages, which deliver goods to end destinations in unitised portions to allow for easy shelving on retail shelves.

Our express logistics services operated 233 containerized line-haul and feeder trucks during September 2017, including 100 GPS-enabled trucks, which we lease from third-party providers on a long-term basis. All of our vehicles ensure timely transport with minimal damage to goods, regardless of weather conditions.

Pricing and Contract Terms

We charge our customers for our express logistics services in a number of ways, including (i) on the basis of actual or volumetric weight of goods transported from the location of origin to the ultimate destination, (ii) on a per trip or per kilometre basis, or (iii) for the use of a dedicated vehicle for a specific number of kilometres each month, with additional charges for extra distance.

Temperature-Controlled Logistics

Overview

Our temperature-controlled logistics offering provides product-handling solutions for temperature-sensitive perishable products through temperature-controlled warehousing and transportation in our reefer trucks.

We commenced our temperature-controlled logistics services in 2016 by entering into a long-term operating lease for the operative assets, including refrigeration equipment, of Brattle Foods Private Limited. We subsequently acquired reefer vehicles from Laxman Logistics Private Limited through a slump sale in Fiscal 2017.

Our revenue attributable to our temperature-controlled logistics services for the six months ended September 30, 2017 and Fiscals 2017 and 2016 was ₹148.53 million, ₹363.82 million and ₹344.41 million, respectively, which accounted for 4.0%, 6.2% and 6.4%, respectively, of our revenue from operations (without adjustments for intracompany transactions between key service areas) for such periods. Given that we only commenced our temperature-controlled operations in Fiscal 2016, we did not generate any revenue from temperature-controlled logistics operations in Fiscal 2015.

Processes and Infrastructure

We operate through 4 temperature-controlled distribution centres with 9,289 pallets across India and have 327 leased pallets at third party distribution centres, as of September 30, 2017. Our temperature-controlled logistics distribution centres can maintain perishable goods in the frozen temperature range (-25 to 0 degrees Celsius), chilled temperature range (0 to +4 degrees Celsius), cold temperature range (+2 to +8 degrees Celsius) and cool temperature range (+8 to +25 degrees Celsius), depending on the needs of the customer. Our temperature-controlled services generated revenue of ₹49,013 per pallet per annum and ₹45,394 per pallet per annum for Fiscals 2017 and 2016, respectively.

Our storage sites utilise refrigeration and temperature-control systems equipped with certain features, including insulation on walls and floors; dock levellers for all dock doors to ensure temperature preservation; mobile racking systems and ultra-flat reinforced flooring; and technology to ensure quick opening and closing of doors to prevent temperature fluctuations.

Given the importance of maintaining consistent temperature controls, our temperature-controlled warehousing facilities are strategically located based on the availability of electrical supply grids to minimise power outages. We further maintain power backups with diesel-powered generators with automatic switchover in the event of power failures.

Further, we ensure adherence to internal storage and transportation policies to ensure perishable goods are kept at constant temperatures and in compliance with contractual requirements for such perishable goods. We are also FSSAI-compliant.

Our fleet of temperature-controlled reefer trucks maintain a temperature-controlled environment to ensure proper handling of perishable products throughout the transportation process. Our reefer trucks are equipped with double-leaf insulated doors with inner and outer seals and a secure door locking system to maintain internal temperature. Further, the container body floors of our reefer trucks are fitted with gratings to improve the efficacy of return air evaporation and the uniform circulation of air, which are critical to the maintenance of a steady temperature-controlled environment. Our WMS is integrated with customers' enterprise resource planning systems to allow real-time integration.

As of September 30, 2017, we owned 144 reefer trucks and leased 17 reefer trucks for use in our temperature-controlled logistics operations.

Pricing and Contract Terms

We generally charge our customers for temperature-controlled warehousing storage and handling on a per pallet basis, either with or without a minimum guarantee on the number of pallets. We charge our customers for temperature-controlled transportation (i) for primary transportation (typically longer distances, including between states and cities), on a per trip basis based on distance travelled from the point of origin to the destination and (ii) for secondary transportation (typically shorter distances, including intra-city transportation), on a monthly basis either with or without a minimum guaranteed distance travelled.

Other Operations

From time to time, we also offer certain additional services to our customers based on their unique requirements. For instance, we provide ocean freight forwarding services in respect of goods imported into India, as well as customs clearance to ensure compliance with Indian import regulations.

Technology and Automation

We have adopted technology and automation throughout our logistics operations and customised them to suit our operational requirements based on our experience and understanding of our customers' requirements. Our use of technology and automation helps ensure efficiency and sorting of our customers' goods, while maintaining accuracy as well as complete visibility of inventory in the warehouse and delivery chains.

Some of our key technology and automation processes are summarised as follows:

- *Warehouse Management System*: Our warehouse management system provides customers with an inventory management tool that can be integrated directly with a customer's enterprise resource planning system, providing visibility of inventory in the distribution centre.
- *"Dynamic Put-to-Light" Sortation System*: Our Dynamic PTL System is a light-directed sortation system, which helps in improving sorting speed and inventory throughput. It enables us to sort inventory once batch picking from the distribution centre storage is completed. It enables category-specific segregated packaging prior to shipment in order for inventory to be properly packaged and shelf-ready at its end destination, with no further sortation needed at the end retail level. Using this system, (i) speed of sortation is improved by almost 40% from manual sortation methods; (ii) the ordinary processing capacity of our distribution centres is expanded; and (iii) when coupled with our weight check and print and apply systems, we ensure accuracy of packing and labelling.
- *High-Speed Cross-Belt Sorter System*: The high-speed cross-belt sorter system in our MIHAN distribution centre provides technology that can sort at a rate of approximately 2,000 cases per hour, allowing us to increase our handling capacity at the MIHAN distribution centre without having to increase our facility space.
- *Transport Management System*: Our TMS provides customers with 24x7 direct visibility into the distribution chain through an online portal providing updates from pick-up, to in-transit status, to delivery, to electronic proof of delivery, to electronic billing. The TMS further allows customers to customise shipment options such as arranging pick-ups, cash-on-delivery shipments, appointment-based shipments, return order management and other customised options as well as providing routing and scheduling optimisation. Further, the TMS provides alerts to customers in the event of any delays or unforeseen circumstances in the transportation chain.
- *Vehicle Tracking System*: Our GPS-enabled vehicles allow for real-time tracking of customer goods.
- *Mobility Platform*: Our Mobility Platform is a portal for our customers to access our TMS. The Mobility Platform connects the features of our VTS with our TMS to provide customers real-time tracking.

We have capability to integrate our customers' technologies with our own systems that we have implemented in order to provide them visibility into their supply chain. Such integration includes integration of the following customer technologies:

- *Vendor Relationship Management Portal ("VRMP")*: The VRMP provides our customers with a portal that provides visibility into their inventory supply processes from the purchase order stage with an inventory supplier, to payment tracking, to advanced shipment notifications from the supplier.
- *Auto Replenishment System ("ARS")*: We have the capability to integrate with our customers' ARS, which provides them with inventory management that ensures generation and availability of inventory levels without manual intervention. The ARS works on actual retail demand, considering retail shelf stock, base stock levels and past sales trends to generate inventory supply automatically to the nearest distribution centre for a retail location. Other features, including performing stock aging analysis, use of cross-docking and packaging standardisation have further improved inventory turnover, reduced markdowns and stock outages.

Customers

We have a diverse customer portfolio, servicing many of India's industry leaders across various sectors. Our largest group of customers are the Future Entities. Our revenue attributable to our services to our Promoter and certain Group Companies for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹2,490.00 million, ₹3,504.69 million, ₹2,573.90 million and ₹1,895.15 million, respectively, which accounted for 69.7%, 62.5%, 49.5% and 46.5%, respectively, of our revenue from operations for such periods.

Our business originally was established to provide supply chain and logistics to certain of the Group Companies, including the Future Entities described below.

- *Future Retail Limited*: focusing on hypermarket, convenience stores, value fashion, furniture, electronics and general merchandise with over 914 stores in 253 cities across India as of September 30, 2017; Future Retail Limited's retail brands include Big Bazaar, FBB, FoodHall, EasyDay, eZone and HomeTown;
- *Future Lifestyle Fashions Limited*: operating in the fashion and lifestyle space with over 350 stores across India as of September 30, 2017; Future Lifestyle Fashions Limited's retail brands include Central and Brand Factory and its fashion brands include Lee Cooper, ALL, Scullers and Jealous 21 among others; and
- *Future Consumer Limited*: operating in branded foods and FMCG space with a portfolio of products for the new-age consumer generation; Future Consumer Limited's brands include Tasty Treat, Golden Harvest, Nilgiri's, Cleanmate and Caremate among others.

We are integrated into the supply chain of the Future Entities and their logistics processes. We are able to provide logistics services for the various retail formats and product categories that the Future Entities cater to, offering our full range of services across these retail formats and product categories.

We also currently have a customer base outside of the Future Entities and the other Group Companies. These customers typically either contact us directly, are solicited through requests for proposals that we submit or are developed through the efforts of our marketing team.

Our external customer base is highly diversified and amongst recognised brands in India, such as Pepe Jeans India Limited, Bakers Circle (India) Private Limited, Clarks Future Footwear Private Limited, HPL Electric & Power Limited, PepCart Logistics Private Limited (Pepperfry), Surya Roshni Limited, TTK Prestige Limited, Bestseller Fashion India Private Limited, Best United India Comforts Private Limited (JACK & JONES), VERO MODA Retail Private Limited, ONLY Retail Private Limited, M/s Asandas & Sons (HyFun FOODS), Reckitt Benckiser (India) Private Limited, Amway India Enterprises Private Limited, Kellogg India Private Limited, Mondelez India Foods Private Limited and Wildcraft India Private Limited. Our largest customer (apart from our Promoter and certain Group Companies) accounted for approximately 2.7% of our revenue from operations in Fiscal 2017 and our top ten and top twenty external customers accounted for approximately 14.8% and 20.1%, respectively, of our revenue from operations in Fiscal 2017. Revenue from external customers (apart from our Promoter and certain Group Companies) was ₹1,084.15 million, ₹2,107.14 million, ₹2,624.80 million and ₹2,184.48 million for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively, which accounted for 30.3%, 37.5%, 50.5% and 53.5%, respectively, of our revenue from operations for such periods.

Sectors

We serve customers across a range of sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, FMCG, e-commerce, healthcare, electronics and technology, home and furniture and ATMs. Each of these sectors has unique considerations that we must take into account in optimising our service offerings to our customers. For instance, logistics in the FMCG sector are complex given that the products typically have a short shelf life and require strict monitoring of the "first expired, first out" process to ensure that customers receive products with adequate shelf-life. Our infrastructure and processes enable us to handle increased throughput for both perishable food products and non-perishable FMCG products. On the other hand, logistics for the fashion and apparel sector has different considerations based on the demands of its customers. With increasingly demanding end-

consumers of fashion and apparel, obsolescence and markdowns of products are common. Our logistics services for the fashion and apparel sector therefore cater to handling variable volumes, while aiming to achieve fill rates and dispatch accuracy to minimise obsolescence and markdowns.

Competition

According to the A&M Report, the third-party logistics industry is unorganised and highly fragmented in India. The principal competitive factors include service quality, reliability, price and the ability to address varying requirements of different sectors and specific customer needs comprehensively. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand and reputation over the years.

Very few organised service providers in India have a comprehensive pan-India presence. In addition, a number of logistics providers operate only in one line of business (i.e. either contract logistics, express logistics or temperature-controlled logistics). We compete against various logistics service providers in different service areas in different geographic locations across India in addition to regional and unorganised service providers.

Employees

We have developed a pool of skilled and experienced personnel. We also contract personnel as well as hire part-time employees and temporary staff to meet our seasonal or specific project needs. As of September 30, 2017 and March 31, 2017, 2016 and 2015, we had 1,169, 1,026, 1,147 and 831 full-time employees, respectively, across the following function areas: administration, CEO office, commercial, IT & systems, legal, marketing, operations, people office, procurement, projects, property, sales, loss prevention and transportation solutions. As of September 30, 2017, we had a total of 5,919 personnel hired on a contract basis. We have also instituted ESOP 2017 to incentivise employees.

We gear our training efforts toward developing our personnel to allow for advancement and success within our organisation. Many of our senior management have risen through our ranks and have over two decades of experience.

Information Technology

The continuous development of our technology systems is essential not only to improve our internal operations and financial performance, but also to provide our customers with effective, timely, and reliable services. We evaluate our technology systems and personnel to service our customers' needs. Information technology is a key differentiator for certain customers in the supply chain and logistics industry. For further details of our key technology used in our logistics operations see *"Our Operations – Technology and Automation."*

Health and Safety

We are committed to implementing measures to comply with applicable health and safety laws and regulations.

We were certified for Quality Management Systems (ISO 9001:2008) in 2011 and are implementing procedures to qualify for the upgraded ISO 9001:2015 certification, and also were certified for British Standards OHSAS (Occupation Health and Safety Assessment Series) (18001:2007) in 2015.

Intellectual Property

Future Ideas Company Limited ("**FICL**"), owns the trademarks "Future Group – India Tomorrow" and "Future Group" and the associated logos (collectively, the "**Future Trademarks**"). Pursuant to the master license agreement dated October 1, 2016 between FICL and our Company (the "**Licence Agreement**"), FICL has granted a non-exclusive and non-transferable license to use the Future Trademarks during the term of the Licence Agreement in marketing and advertisements of our products and services, in communications with third parties, and with the written consent of FICL, for business activities outside India in consideration of royalty payments. Separately, we have also obtained a trademark registration for our logo "FSC".

Insurance

We maintain a comprehensive set of insurance policies, which are renewable every year. Our property, plant and equipment are insured for standard risks, including fire and earthquakes, our vehicles are insured for accidental damages and we also maintain marine cargo insurance. We maintain director and officers' liability insurance, medical insurance policies, personal accident insurance policies for our employees and a workmen's compensation policy. Our policies are subject to customary exclusions and deductibles.

Properties

We have entered into a leave and licence agreement for our Corporate Office dated August 16, 2016 with M/s. Navrang Studios, for a term of five years commencing from October 16, 2016, on a non-assignable and non-transferable basis. The Registered Office of our Company is not owned by us. The Company has been permitted by FEL to use the premises for our Registered Office through a no objection letter dated March 8, 2006.

We have also entered into leave and licence agreements and lease agreements, for our distribution centres, and temperature controlled and other facilities, which are for terms typically ranging between 11 months and 15 years, with an option to renew or extend the term of the agreement, as the case may be, as mutually agreed between the parties.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, please see the section entitled “Government and Other Approvals” on page 325.

Laws in relation to our Business

Warehousing (Development and Regulation) Act, 2007

The Warehousing (Development and Regulation) Act, 2007 (the “**Warehousing Act**”) was notified and came into effect on September 19, 2007. The Warehousing Act prescribes, among other things, the form and manner of registration, development and regulation of warehouses. The Warehousing Act also provides for setting up of a Warehousing Development and Regulatory Authority (the “**WDRA**”) which comprises a chairman and not more than two other members. The WDRA has the duty to regulate and ensure implementation of the provisions of the Warehousing Act and promote orderly growth of the warehousing business. The powers and functions of the WDRA include, amongst others, (i) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouses; (ii) to promote efficiency while conducting the warehouse business; (iii) to promote professional organizations connected with the warehousing business; (iv) to maintain a panel of arbitrators and to nominate arbitrators from such a panel in disputes between warehouses and warehouse receipt holders; and (v) to determine the rate of, and levy, the fee and other charges for carrying out the provisions of the Warehousing Act.

Warehousing Regulations

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 (collectively, the “**Warehousing Regulations**”) govern the issue of public, private and special warehouse licences to different categories of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licences and also set out other requirements in relation to validity, surrender and transferability of the said licences.

The Food Safety and Standards Act, 2006 and the Food Safety and Standards Rules, 2011

The Food Safety and Standards Act, 2006 (the “**FSSA**”) came into force on August 23, 2006 with a view to consolidate laws relating to food and to establish the Food Safety and Standards Authority of India (the “**Food Authority**”). The Food Authority sets out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is also required to provide scientific advice and technical support to the Government and the State Governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, responsibilities of the food business operator, liability of manufacturers and sellers, and adjudication by the Food Safety Appellate Tribunal. The FSSA has not been fully notified and has only been partially enacted. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the “**FSSR**”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure for the commissioner of food safety, food safety officer and food analyst, and procedures for taking extracts, seizure, sampling and analysis.

The Food Authority has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;

- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The key provisions of the FSSA are:

- establishment of the Food Authority to regulate the food sector;
- the Food Authority shall be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels;
- enforcement through state commissioners of food safety and other local level officials;
- registration or licensing requirements for every entity in the food sector. Such licence or registration shall be issued by local authorities;
- every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor; and
- any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (the “**Legal Metrology Act**”) came into effect on January 14, 2010 and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The key features of the Legal Metrology Act are:

- units of weights and measures are to be based on metric system only;
- all weights and measures shall follow the prescribed specification and shall be verified and also re-verified periodically before use;
- pre-packaged commodities shall bear statutory declarations;
- registration is required before import of any weight or measure;
- approval of model is required before manufacture or import of any weight or measure; and
- without licence no weight or measure may be manufactured, sold or repaired.

Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology (Packaged Commodities) Rules, 2011 (the “**Packaged Commodities Rules**”) was framed under Section 52(2) of the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A ‘pre-packaged commodity’ means a commodity which, without the purchaser being present, is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules are:

- it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed;
- all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act; and

- no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

The Ministry of Consumer Affairs, Food and Public Distribution, by Gazette notification dated June 23, 2017, notified certain amendments to the Packaged Commodities Rules that will become effective from January 1, 2018. The amendments include (i) change in the definition of Institutional Consumer; (ii) addition of the definition of e-commerce to bring the buying and selling of goods and services including digital products over digital and electronic network within the scope of the Legal Metrology (Packaged Commodities) Rules; and (iii) goods displayed by the sellers on e-commerce platforms to contain declarations required under the Packaged Commodity Rules like name and address of the manufacturer, packer and importer, name of the commodity, net content, retail sale price, consumer care details and other details.

Shops and Establishments Legislations

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “**Sale of Goods Act**”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

Carriage by Road Act, 2007

The Carriage by Road Act, 2007 (the “**Carriage by Road Act**”) came into force on September 29, 2007 and replaced the Carriers Act, 1865. The Carriage by Road Act regulates common carriers, limiting their liability and declares the value of goods delivered to them to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts of themselves, their servants or agents and for matters connected therewith. No person can engage in the business of a common carrier, unless they have a certificate of registration.

A ‘common carrier’ has been defined under the Carriage by Road Act as a person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorised transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

Motor Transport Workers Act, 1961

The Motor Transport Workers Act, 1961 (“**MTWA**”) provides for the welfare of motor transport workers and to regulate the conditions of their work. It applies to every motor transport undertaking employing five or more motor transport workers. A ‘motor transport worker’ means a person who is employed in a motor transport undertaking directly or through an agency, whether for wages or not, to work in a professional capacity on a transport vehicle or to attend to duties in connection with the arrival, departure, loading or unloading of such transport vehicle and includes a driver, conductor, cleaner, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant.

Public Liability Insurance Act, 1991

The purpose of the Public Liability Insurance Act, 1991 (“**PLIA**”) is to provide through insurance, immediate relief to persons affected due to accident while handling hazardous substance by the owners on a no fault liability basis. Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the PLIA mandates that the owner is liable to give relief to such person as specified by the PLIA. The PLIA requires the owner to take out insurance policies before he starts handling any hazardous substance whereby he is insured against liability to give such relief.

Environmental Laws

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (the “**PCBs**”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

Laws relating to employment

The following is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Factories Act, 1948
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- Motor Transport Workers Act, 1961;
- Industrial Disputes Act, 1947;
- Employees' Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated on March 8, 2006 as Future Logistic Solutions Limited, a public limited company under the Companies Act, 1956, with the RoC. Our Company was granted a certificate of commencement of business dated March 31, 2006. Subsequently, the name of our Company was changed to Future Supply Chain Solutions Limited, pursuant to a special resolution of our Shareholders dated July 21, 2009. The name of our Company was changed to convey the range of business solutions offered by our Company. A fresh certificate of incorporation dated October 23, 2009 was issued by the RoC upon the change in the name of our Company.

Changes in the Registered Office of our Company

There has been no change in the Registered Office of our Company.

Main Objects of our Company

The main objects contained in the Memorandum of Association are provided below:

- To offer logistic solutions in supply chain management, providing services to support and optimize the logistic solution and integrate the same into business processes and systems globally by providing real-time information, systems integration, distribution network design, marketing channel, distribution optimization simulation and asset planning, warehousing and offer distribution & transportation services like - route planning, carrier selection & management, inbound & outbound management, track & trace, order management, and materials management, Reverse Logistics like asset recovery, repairing services, reprocessing, disposal management, Inbound Logistics like component assembly, sequencing, kitting, line side delivery and International Logistics like custom clearance, freight forwarding, tax and tariff management.*
- To provide public/ private warehousing and related services such as loading, cross docking, material handling, pick and pack operations, product labeling, packaging re packaging, inventory control, just-in-time inventory management, pallet exchange services, trucking, stretch and shrink wrapping, quality control, lot number control, import and export handling, containerization, and pool distribution.*
- To carry on the business in India and abroad, of freight shippers, freight forwarder, consignment agent, C&F agent, bailee, freight receivers, transport contractors, fleet operator, public carrier, couriers, door to door cargo, fleet owners and operate tractors, tankers, trailers, refrigerated vans, containers on interstate roads for transportation of goods and materials.*

Amendments to our Memorandum of Association

The amendments to our Memorandum of Association since the incorporation of our Company are set out below:

Date of shareholders' resolution	Particulars
June 30, 2007	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 100,000 Equity Shares amounting to ₹ 1 million to 2,000,000 Equity Shares amounting to ₹ 20 million.
December 12, 2007	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 2,000,000 Equity Shares amounting to ₹ 20 million to 20,000,000 Equity Shares amounting to ₹ 200 million
April 7, 2008	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 20,000,000 Equity Shares amounting to ₹ 200 million to 25,000,000 Equity Shares amounting to ₹ 250 million.
November 25, 2008	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 25,000,000 Equity Shares

Date of shareholders' resolution	Particulars
	amounting to ₹ 250 million to 35,000,000 Equity Shares amounting to ₹ 350 million.
July 21, 2009	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from Future Logistic Solutions Limited to Future Supply Chain Solutions Limited, pursuant to the special resolution dated July 21, 2009. A fresh certificate of incorporation was issued dated October 23, 2009.
May 26, 2011	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 35,000,000 Equity Shares amounting to ₹ 350 million to 40,000,000 Equity Shares amounting to ₹ 400 million.
August 8, 2017	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 40,000,000 Equity Shares amounting to ₹ 400 million to 50,000,000 Equity Shares amounting to ₹ 500 million.

Major Events and Milestones of our Company

The key events in the history of our Company are provided in the table below:

Year	Particulars
2006	Incorporated as a public limited company.
2009	Implemented Transport Management System to improve visibility in and optimise transportation operations.
	Implemented Infor WM 9 Warehouse Management System.
	Subscription to 5,000,000 compulsorily convertible debentures of face value ₹ 100 each by SKC 1 Limited (part of Fung Capital)
2011	Acquired warehousing business of Transmart India Private Limited at Bhiwandi
	Logistics division implemented Vehicle Tracking System, a GPS enabled system, in all the dedicated fleet of vehicles
	Obtained ISO 9001: 2008 certification
	Conversion of the 5,000,000 compulsorily convertible debentures of face value ₹ 100 each held by SKC1 Limited to 3,683,241 Equity Shares and subscription to 6,492,080 Equity Shares by SKC1 Limited
2012	Introduced the Put to Light system which was the first of its kind for consumer industries*
2013	Registered Future Supply Chains as a trademark
	Launched one of the largest and the most highly-automated distribution centre in India at MIHAN, Nagpur*
2016	Acquisition of 40.0% of the shareholding of our Company by Griffin Partners Limited from existing Shareholders
	Commenced temperature controlled logistics services
2017	Set-up a specialised integrated food distribution centre at Kolkata
	Commenced operations of the high speed cross-belt sorter system in July, 2017
	Acquisition of 45.0% of the equity shares of Leanbox

* Source: A&M Report

Our e-commerce last-mile delivery services were only offered in Fiscal 2016 and have since been discontinued.

Awards, Accreditations and Accolades received by our Company

The key awards, accreditations and accolades received by our Company are provided in the table below:

Year	Particulars
2007	Our Company was awarded the Retail & F/B Supply Chain Excellence Award by Indiatimes Mindspace and BVMSR
2009	Our Company was awarded the Retail Manufacturing Supply Chain Excellence Award and the Retail

Year	Particulars
	Supply Chain Excellence Award at the 3 rd Express Logistics and Supply Chain Awards
2011	Our Company was awarded the Retail Supply Chain Excellence Award at the 5 th Express Logistics and Supply Chain Awards
2012	Our Company was awarded the Best FMCG 3PL Company of the Year at the 6 th Express, Logistics and Supply Chain Conclave
	Our Company was awarded the Masterbrand Award by CMO Council USA & CMO Asia
2014	Our Company was awarded the Use of Technology for Corporate Excellence at the Corporate Excellence Awards by World CSR Congress
	Our Company was awarded a certificate of merit for being an ethical company in transportation and logistics at the India's most Ethical Companies Awards by World CSR Congress
	Our Company was awarded the Effective Retail through Supply Chain at the Asia Retail Congress
	Our Company was awarded the Best FMCG 3PL Company of the Year and the Best Retail 3PL Company of the Year at the 8 th Express, Logistics and Supply Chain Conclave
	Our Company was awarded the Effective Retail through Supply Chain at the Retail Excellence Awards, Singapore
	Our Company was awarded the Industrial and Retail Warehousing (Efficient Position) by CII- Supply Chain and Logistics Excellence Awards
	Our Company was awarded the Operational Excellence in Warehousing at the 3 rd Asia Manufacturing Supply Chain Awards
	Our Company was awarded the Emerging Player of the Year by the Indian Chamber of Commerce Supply Chain Excellence Awards
2015	Our Company was awarded the Excellent Position in Supply Chain and Logistics (3PL) Award and the Industrial/retail warehousing Award at CII - SCALE Awards.
	Our Company was awarded the Exemplary Position in Supply Chain & Logistics Industrial & Retail Warehousing Award at the CII-SCALE Awards
	Our Company was awarded the Best 3PL Solutions Award by the Indian Chamber of Commerce
	Our Company was awarded the Supply Chain Service Provider of the Year- Hi Tech and the Supply Chain Service Provider of the Year- FMCG at the 4 th Manufacturing Supply Chain Awards
	Our Company was awarded the Best 3PL – FMCG, Best 3PL – Retail, Best 3PL Company of the Year award and Best 3PL – Fashion & Lifestyle at the 9 th Express, Logistics and Supply Chain Conclave
2016	Our Company was awarded the 3PL Solutions Award by the ICC Supply Chain & Logistics Excellence Award
	Our Company was awarded the Manufacturing Supply Chain Service Provider of the Year (Overall) at the 5 th India Manufacturing Supply Chain Awards
	Our Company was awarded the Operational Excellence in Cold Chain Warehousing at the 5 th Cold Chain Strategy Summit & Awards
	Our Company was awarded the 3PL Company of the Year – FMCG and the 3PL Company of the Year – Retail at the 10 th Express, Logistics and Supply Chain Leadership Awards
	Our Company was awarded the Overall Excellence in Logistics & Supply Chain at the CII - SCALE Awards
2017	Our Company was awarded the Excellence Award – 3 PL Solutions at the ICC Supply Chain & Logistics Awards
	Our Company was awarded the Best Cold Chain 3 PL Service Provider of the Year at the Cold Chain Industry Awards
	Our Company was awarded the Best 3PL Company of the Year at the Goa State Logistics, Supply Chain and Warehousing Leadership Awards, 2017
	Our Company was awarded the Best 3PL Company of the Year at the 11 th edition of the Express Logistics and Supply Chain Leadership Awards
	Our Company was awarded the Industry Excellence Award in Supply Chain – FMCG at the 11 th edition of the Express Logistics and Supply Chain Leadership Awards

Corporate Profile of our Company

For further details of our business, geographical presence, growth, competition, services, suppliers, customers, capacity build-up, technology, and managerial competence, please see the sections entitled “*Our Management*”, “*Our Business*”, “*Industry Overview*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Statements*”, on pages 146, 119, 89, 289 and 182, respectively.

Holding Company

As on the date of this Red Herring Prospectus, Future Enterprises Limited is the holding company of our Company. For details in relation to Future Enterprises Limited, please see the section entitled “*Our Promoter and Promoter Group*” on page 162.

Subsidiaries

As on the date of this Red Herring Prospectus, our Company has no subsidiaries.

Capital-raising Activities through Equity and Debt

For details regarding our Company’s capital-raising activities through equity and debt, as applicable, please see the sections entitled “*Capital Structure*”, “*Financial Indebtedness*”, and “*Financial Statements*” on pages 69, 286 and 182, respectively.

As on date of this Red Herring Prospectus, our Company has 10 Shareholders.

Time and Cost Over-runs

There have been no significant time and cost over-runs in the development or construction of any of the projects or establishments of our Company.

Defaults or Re-scheduling of Borrowings and Conversions of Loans into Equity

There have been no defaults or re-scheduling of the outstanding borrowings of our Company with financial institutions or banks.

None of our outstanding loans have been converted into Equity Shares.

Lock-outs or Strikes

There have been no lock-outs or strikes at any time in our Company.

Injunctions or Restraining Orders

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

Details regarding Acquisition of Business/Undertakings/Mergers and Amalgamation

Except as detailed below, our Company has not acquired any business or undertaking, or undertaken any mergers or amalgamations.

1. Our Company entered into an agreement to sell dated October 31, 2011 with Transmart India Private Limited (“**Transmart**”), for acquiring all movable and fixed assets, the rights, titles and interest of Transmart at the warehouse premises at Bhiwandi, Maharashtra (the “**Business**”). On October 31, 2011, being the Appointed Date, our Company acquired the Business on a slump sale basis, for ₹ 100 million.
2. The scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956, of FSC Brand Distribution Services Limited (“**FSC Brand**”), an erstwhile subsidiary of our Company, with our Company (the “**Scheme**”) was approved by the Board of Directors of our Company on March 20, 2014 and the Board of Directors of FSC Brand on March 20, 2014 with effect from January 1, 2014 (the “**Appointed Date**”). FSC

Brand, an erstwhile wholly owned subsidiary of our Company, was engaged in the business of organised distribution of FMCG brands to modern trade. The Bombay High Court approved the Scheme on August 22, 2014 and was filed with the RoC on September 15, 2014. The Scheme was effective from the date on which the certified true copies of the order of the Bombay High Court was filed with the RoC by FSC Brand and our Company (the “**Effective Date**”).

The rationale of the Scheme was to ensure simplification of the group structure by elimination of multiple entities and to achieve greater administrative efficiency, elimination of administrative functions and multiple record keeping, thereby resulting in reduced expenditure, and significant reductions in the multiplicity of regulatory compliances.

Thereafter, the undertaking of FSC Brand was transferred to and vested in our Company as a going concern with effect from the Appointed Date. FSC Brand being a wholly owned subsidiary of our Company, no consideration was payable pursuant to the amalgamation. From the Appointed Date, and upon the Scheme becoming effective, our Company recorded the assets and liabilities pertaining to FSC Brand, at their respective fair values. Upon amalgamation of FSC Brand with our Company, the shares of FSC Brand vested with our Company stood cancelled.

FSC Brand stands dissolved, without being wound up, in accordance with the order of the Bombay High Court.

Strategic or Financial Partners

As on the date of this Red Herring Prospectus, our Company does not have any strategic or financial partners.

Shareholders’ Agreements

As on the date of this Red Herring Prospectus, our Company has not entered into any shareholders’ agreements that are subsisting except as provided below:

1. ***Securities Subscription Cum Shareholders Agreement dated April 30, 2015 entered into between GTI Capital Gamma Pvt. Ltd., the Company and FEL (formerly, Future Retail Limited) (collectively, the “Parties”), the Amendment Agreement dated August 22, 2017 and the Second Amendment Agreement dated November 14, 2017 entered into between the Parties.***

GTI Capital Gamma Pvt Ltd. (the “**Subscriber**”), the Company and FEL (formerly, Future Retail Limited) entered into a Securities Subscription cum Shareholders Agreement dated April 30, 2015 (the “**Original GTI SSHA**”), which set out the terms and conditions subject to which the Subscriber has subscribed to 55,000 compulsorily convertible debentures of ₹ 10,000 each (the “**CCDs**”), for a total consideration of ₹ 550 million, such as (i) restriction on transfer of CCDs or Equity Shares held by the Subscriber (post conversion of CCDs); (ii) exit rights; (iii) right of first offer; (iv) right of first refusal; (v) tag along rights; (vi) drag along rights and (iii) information rights. The Original GTI SSHA was amended through an agreement dated August 22, 2017 and the Second Amendment Agreement dated November 14, 2017 (the “**GTI Amendment Agreements**”).

In terms of the Original GTI SSHA and the GTI Amendment Agreements (together, the “**GTI SSHA**”), our Company will be required to provide an exit option to the Subscriber, either by way of a buy-back post conversion of CCDs or capital reduction or in any other manner, subject to applicable law, such that the Subscriber receives ₹550 million upon exit, as adjusted for transfer, dividend, bonus or other corporate actions:

- (a) On or before March 31, 2018, if our Company does not file this Red Herring Prospectus with RoC by December 31, 2017;
- (b) On or before June 30, 2018, if this Red Herring Prospectus is filed with RoC by December 31, 2017, but the Equity Shares are not listed on the Stock Exchanges on or before June 30, 2018.

The GTI SSHA may be terminated at any time by mutual written consent of the Parties. The GTI SSHA and Part C of the Articles of Association shall automatically stand terminated upon the finalisation of the Basis of Allotment. For details regarding Part C of the Articles of Association, please see the section entitled “*Main Provisions of the Articles*”

of Association” on page 403 of this Red Herring Prospectus.

Pursuant to the GTI SSHA, the CCDs were converted into 917,955 Equity Shares pursuant to a resolution of the Board dated November 14, 2017. The exact number of Equity Shares that were allotted upon conversion of the CCDs, was mutually determined by the Parties.

2. *Shareholders’ Agreement dated June 28, 2016 entered into between the Company, Griffin Partners Limited, FEL, Future Corporate Resources Limited, Kishore Biyani and Vijay Biyani (collectively, the “Parties”) and Deed of Adherence dated September 14, 2016.*

Our Company, Griffin Partners Limited (“**Griffin**”), FEL, Future Corporate Resources Limited, Kishore Biyani and Vijay Biyani entered into a Shareholders’ Agreement dated June 28, 2016 and Deed of Adherence dated September 14, 2016 (the “**Original Griffin SHA**”), which provides the terms and conditions subject to which Griffin has purchased 15,654,681 Equity Shares in terms of the (i) the share purchase agreement dated June 28, 2016 entered into between the Company, Griffin and SKC 1 Limited (“**SKC1**”), pursuant to which SKC1 has agreed to sell 10,175,321 Equity Shares, comprising its entire holding of Equity Shares to Griffin; and (b) the share purchase agreement dated June 28, 2016 entered into between the Company, Griffin, FEL and Anshuman Singh pursuant to which FEL has agreed to sell 4,990,131 Equity Shares to Griffin and Anshuman Singh and Nidhi Singh have agreed to sell 489,229 Equity Shares to Griffin.

The Griffin SHA was amended through an amendment agreement dated August 22, 2017 (“**Griffin Amendment Agreement**”). In terms of the Original Griffin SHA and the Griffin Amendment Agreement (together, the “**Griffin SSHA**”), the provisions of the Griffin SHA may be terminated, (i) by mutual written consent of the Parties; (ii) upon Griffin ceasing to hold any Equity Shares; or (iii) upon the occurrence of an Event of Default, if Griffin exercises its right to terminate the Griffin SHA.

However, the Griffin Amendment Agreement shall stand terminated without any further action upon finalisation of Basis of Allotment. Further, the Original Griffin SHA shall be reinstated if this Red Herring Prospectus is not filed with the RoC by March 31, 2018 or such other time as may be mutually agreed between the Parties.

Further, the Griffin SSHA and Part B and Part C of the Articles of Association shall automatically stand terminated upon the finalisation of the Basis of Allotment. For details regarding Part B and Part C of the Articles of Association, please see the section entitled “*Main Provisions of the Articles of Association*” on page 403.

Supplemental Agreement dated November 17, 2017 to the Original Griffin SHA and the Griffin Amendment Agreement entered into between Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL, Suhani Trading and Investments Consultants, FRL, Kishore Biyani and Vijay Biyani and Share Purchase Agreement dated November 17, 2017 entered into between Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL and our Company

Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL, Suhani Trading and Investments Consultants, FRL, Kishore Biyani and Vijay Biyani entered into a supplemental agreement dated November 17, 2017 to the Original Griffin SHA and the Griffin Amendment Agreement (the “**Griffin Supplemental Agreement**”) and Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL and our Company entered into the Share Purchase Agreement dated November 17, 2017 (the “**Griffin SPA**”), which provides the terms and conditions subject to which Edelweiss Crossover Opportunities Fund and EW Clover Scheme have purchased an aggregate of 1,963,550 Equity Shares from Griffin.

The provisions of Griffin Supplemental Agreement may be terminated, (i) by mutual written consent of the Parties; (ii) against Griffin if it ceases to hold any Equity Shares; or (iii) against Edelweiss Crossover Opportunities Fund if it ceases to hold any Equity Shares; (iv) against EW Clover Scheme if it ceases to hold any Equity Shares; (v) upon the occurrence of an Event of Default, if Griffin or Edelweiss Crossover Opportunities Fund or EW Clover Scheme, exercise its right to terminate the Griffin Supplemental Agreement.

However, the Griffin Supplemental Agreement shall stand terminated without any further action upon finalisation of Basis of Allotment. Further, Griffin Supplemental Agreement shall be reinstated if this Red Herring Prospectus is not filed with the RoC by March 31, 2018 or such other time as may be mutually agreed between the Parties. Certain

provisions of the Griffin Supplemental Agreement do not become effective unless (a) this Red Herring Prospectus being withdrawn by the Company; or (b) if this Offer is not completed on or before March 31, 2018 (or such other date mutually agreed between the parties to the Griffin Supplemental Agreement).

Further, the Griffin Supplemental Agreement and Part B and Part C of the Articles of Association shall automatically stand terminated upon the finalisation of the Basis of Allotment. For details regarding Part B and Part C of the Articles of Association, please see the section entitled “*Main Provisions of the Articles of Association*” on page 403.

Guarantees

Except as provided below as at September 30, 2017, the Promoter Selling Shareholder has not given any guarantee to any third parties:

- FEL has issued a corporate guarantee amounting to ₹ 72.80 million in respect of a loan availed by Galaxy Entertainment Corporation Limited.
- FEL has issued a corporate guarantee amounting to ₹ 41,525 million in respect of the loan availed by Future Retail Limited.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Red Herring Prospectus, our Board comprises of eight Directors.

The following table provides details of our Board:

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
<p>Name: Rakesh Biyani</p> <p>Designation: Chairman and Non-Executive Director</p> <p>Address: Flat No B. 1903, Vivarea Building, Sane Guruji Marg, Jacob Circle, Mahalaxmi, Mumbai 400 011</p> <p>Occupation: Entrepreneur</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation</p> <p>DIN: 00005806</p>	45	<ul style="list-style-type: none"> • Celio Future Fashion Private Limited • Dollar Industries Limited • Future Lifestyle Fashions Limited • Future Retail Limited • Futurebazaar India Limited • Indian Football Coaching Private Limited • Retailers Association's Skill Council of India • RGB Enterprises Limited • Shree Balaji Parvat View Properties Private Limited • Shree Balaji Umber Properties Private Limited • Turtle Limited
<p>Name: Mayur Toshniwal</p> <p>Designation: Managing Director and Chief Executive Officer</p> <p>Address: 322-B, Hamilton Court, DLF Phase IV, Gurugram 122 009</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: For a term of three years from August 5, 2017 until August 4, 2020</p> <p>DIN: 01655776</p>	49	<ul style="list-style-type: none"> • Allgreen Ecotech solutions Private Limited • Energeers Facilities Solutions Private Limited • Iotomation Ecotech Private Limited • Leanbox Logistics Solutions Private Limited
<p>Name: Chandra Prakash Toshniwal</p> <p>Designation: Non-Executive Director</p> <p>Address: A-407/408, A-Wing, Oberoi Splendor, Jogeshwari-Vikhroli Link Road, Andheri (East), Mumbai 400 060</p> <p>Occupation: Service</p> <p>Nationality: Indian</p>	51	<ul style="list-style-type: none"> • Future Brands Limited • Future Digital Payment Systems Limited • Future Lifestyle Fashions Limited • Future People Services Limited • KFC Shoemaker Private Limited • Mineral Fashions Private Limited • Resource World Exim Private Limited • Shendra Advisory Services Private Limited • Shreya Mall Management Private Limited • Sprint Advisory Services Private Limited • Sun City Properties Private Limited • Whole Wealth Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
Term: Liable to retire by rotation DIN: 00036303		
Name: Shyam Maheshwari Designation: Nominee, Non-Executive Director Address: 9B, Bechulal Road, Flat 3A, Building 4, Satyam Complex, Kolkata 700 046 Occupation: Director Nationality: Indian Term: Liable to retire by rotation DIN: 01744054	41	<ul style="list-style-type: none"> Assets Care & Reconstruction Enterprise Limited Concordia Prima SPC Credit Opportunities I Pte. Limited Credit Opportunities II Pte. Limited India Investments II Pte. Limited India Opportunities II Pte. Limited India Opportunities III Pte. Limited Investment Opportunities II Pte. Limited Investment Opportunities IV Pte. Limited Solar House Limited SSG Asian Infrastructure Fund Pte. Limited SSG Capital Holdings Limited SSG Capital Management (Singapore) Pte. Limited
Name: Janat Shah Designation: Independent Director Address: 203, Lehar Apartment, Bhupalpura, Girwa, Udaipur 313 001 Occupation: Service Nationality: Indian Term: For a term of five years from March 30, 2015 until March 29, 2020 DIN: 01625535	59	<ul style="list-style-type: none"> IIM Udaipur Incubation Centre Orient Cement Limited
Name: Bala Deshpande Designation: Independent Director Address: Flat No. 2, Sanghi Residency, Palkhi Gully, Off Cadell Road, Prabhadevi, Mumbai 400 025 Occupation: Service Nationality: Indian Term: For a term of five years from May 10, 2017 until May 9, 2022 DIN: 00020130	51	<ul style="list-style-type: none"> Financial Software and Systems Private Limited Future Enterprises Limited GOQii Inc. Greytip Software Private Limited Infinitas Energy Solutions Private Limited Info Edge (India) Limited MediSys Edutech Private Limited New Enterprise Associates (India) Private Limited Nova Medical Centres Private Limited Nova Pulse IVF Clinic Private Limited Panacea Medical Technologies Private Limited Vishwa Infrastructures and Services Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
<p>Name: Amar Sapra</p> <p>Designation: Independent Director</p> <p>Address: D-603, Ajmera Green Acres, Bannerghatta Road, Kalena Agrahara, Bengaluru 560 076</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: For a term of five years from August 5, 2017 until August 4, 2022</p> <p>DIN: 05178849</p>	39	None
<p>Name: Rahul Garg</p> <p>Designation: Independent Director</p> <p>Address: A-503, UKN Esperanza, Tubarahalli, Varthur Road, Whitefield, Bangalore 560 066</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: For a term of five years from August 5, 2017 until August 4, 2022</p> <p>DIN: 06939695</p>	42	<ul style="list-style-type: none"> • FabIndia Overseas Private Limited • Financial Software and Systems Private Limited • Hygienic Research Institute Private Limited • ID Fresh Food (India) Private Limited

Relationship between our Directors

None of our Directors are related to each other.

Brief biographies of Directors

Rakesh Biyani is the Chairman and a Non-Executive Director of our Company. He holds a bachelor's degree in Commerce from University of Bombay and has attended the Advanced Management Program from Harvard Business School. He has over 25 years of experience in the retail, supply chain and logistics, and fashion industries. He was awarded (i) an appreciation award by Datamatics Global Services Limited for outstanding contribution to leadership development initiative of Datamatics Global Services Limited; and (ii) an appreciation award by the Clothing Manufacturers Association of India ("CMAI") at the CMAI Fashion Retail Summit on May 8, 2013. He has been a Director on our Board since July 13, 2007.

Mayur Toshniwal is the Managing Director and Chief Executive Officer of our Company. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and a bachelor's degree in technology in mechanical engineering from the Indian Institute of Technology, Banaras Hindu University, Varanasi. He has around 25 years of experience in the industry for manufacturing paint, fast moving consumer goods and retail industries, including five years of experience as an entrepreneur*. Previously he has worked with Asian Paints, Coca

Cola, Future Group, Allgreen Ecotech solutions, an entrepreneurial venture*. He has been a Director on our Board since August 5, 2017.

Chandra Prakash Toshniwal is a Non-Executive Director of our Company. He holds a bachelor's degree in commerce from the University of Rajasthan. He is a qualified Chartered Accountant from the ICAI and is an Associate Member of the Institute of Company Secretaries of India. He has over 20 years of experience in the retail, supply chain and logistics, fashion, insurance and media industries. He was awarded the CFO – Service Sector Award in 2011 by the Institute of Chartered Accountants of India. He has been associated with Future Retail Limited and Future Lifestyle Fashions Limited in various capacities. He has been a Director on our Board since March 8, 2006.

Shyam Maheshwari is a Nominee, Non-Executive Director of our Company. He holds a bachelor's degree in commerce from the University of Calcutta, a post graduate diploma in management from the Indian Institute of Management, Bangalore and is an Associate Member of the ICAI. He has 17 years of experience in the deal sourcing, analysis and investing industry. He is the Chief Executive Officer of SSG Capital Management (Singapore) Pte. Limited. He is a Partner and Co-Founder of the SSG Group. He has been a Director on our Board since June 30, 2016.

Janat Shah is an Independent Director of our Company. He is a Fellow of the Indian Institute of Management, Ahmedabad. He has 27 years of experience in the education field*. He is the director of Indian Institute of Management, Udaipur. Previously he has worked with Indian Institute of Management, Bangalore*. He was the principal researcher of the team which won the IBM faculty award in 2005, 2006 and 2008*. He has been a Director on our Board since March 30, 2015.

Bala Deshpande is an Independent Director of our Company. She holds a bachelor's degree in Arts from the University of Bombay and a master's degree in Arts from the University of Bombay. She also holds a master's degree in Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai. She has 10 years of experience in the consumer/industrial industry and 16 years in private equity and venture capital*. She currently heads NEA India and has previously worked with ICICI Ventures, Cadburys Limited, Bestfoods and Imperial Chemical Industries*. She has been a Director on our Board since May 10, 2017.

Amar Sapra is an Independent Director of our Company. He holds a bachelor's degree in mechanical engineering from University of Roorkee and a doctorate degree in philosophy from Cornell University. He has over 12 years of experience in the teaching profession. He has received an honourable mention in the IIE Transactions Focused Issue on Scheduling and Logistics Best Paper Award Competition for 2015 for a paper on 'A Continuous Time Analog of the Martingale Model of Forecast Evolution'. Previously, he has taught at University of Florida and Johnson School, Cornell University and is presently teaching at the Indian Institute of Management, Bangalore. He is on the advisory board of Jayem Inland Transport Private Limited. He has been a Director on our Board since August 5, 2017.

Rahul Garg is an Independent Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Delhi and a post graduate diploma in management from the Management Development Institute, Gurgaon. He has 18 years of experience in the financial services sector*. He is the Partner and Co-Head, India Private Equity strategy of Premji Invest and all group companies of Premji Invest where he leads investments in banking, financial services, insurance and the consumer and retail sectors*. Previously, he has worked for 10 years with ICICI Bank Limited, and for a brief stint at the Small Industries Development Bank of India*. During his tenure at ICICI Bank Limited, he worked in multiple roles such as investment banking (raising equity/convertible bonds for Indian corporates), structured finance solutions, corporate banking, treasury sales and mid-market lending*. He has been a Director on our Board since August 5, 2017.

** Note: Certain statements in respect of educational qualifications or experience of such Directors included in this Red Herring Prospectus have been made relying on affidavits provided by the concerned Directors. For details, please see the section entitled "Risk Factors – We do not have certain documents evidencing the biographies of certain of our Directors in the section entitled "Our Management" on page 146 of this Red Herring Prospectus.*

Confirmations

1. None of our Directors are, or were, directors of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been, or were suspended from being traded on the Stock Exchanges.

2. None of our Directors are, or were, directors of any listed company which has been, or was delisted from any recognised stock exchange.
3. No proceedings or investigations have been initiated by SEBI against any company, the board of directors of which also comprise of any of the Directors of our Company.
4. No consideration in cash or Equity Shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him or her or by the firm or company in which he or she is interested, in connection with the promotion or formation of our Company.

Terms of appointment of the Executive Director

Mayur Toshniwal was appointed as the Managing Director and Chief Executive Officer on August 5, 2017, for the period commencing from August 5, 2017 up to and including August 4, 2020. Pursuant to the appointment letter dated August 5, 2017, for the appointment of Mayur Toshniwal as the Managing Director and Chief Executive Officer in our Company (the “**Appointment Letter**”) and the Board resolution and shareholder resolution dated August 5, 2017 and August 8, 2017, respectively, he shall be entitled to the following remuneration, including salary and perquisites:

Particulars	Details
Remuneration and allowances	₹ 22.29 million
Provident fund and gratuity payment	Contribution to the Provident Fund and payment of gratuity as per the rules of our Company, which will not be included for the computation of ceiling on remuneration, to the extent such contributions and payments are not taxable under the Income Tax Act
Leave encashment	Encashment of earned leave at the end of his tenure as per the rules of our Company, which shall not be considered as remuneration
Car	Provision of car or car hiring charges for the purpose of business, which shall not be considered as remuneration
Driver's salary	Reimbursement of driver's salary to the extent such reimbursement is not taxable under the Income Tax Act
Travelling expenditure and fuel expenses	Reimbursement of travelling expenditure and fuel expenses for the purpose of business of our Company
Mobile phone	Provision of mobile phone for the purpose of business of our Company

The value of the perquisites would be evaluated as per the Income Tax Rules, 1962, wherever applicable, and at cost in the absence of any such rules.

In the event in any financial year during the tenure of Mayur Toshniwal, our Company does not earn any profits or earns inadequate profit as contemplated under the provisions of Schedule V to the Companies Act, our Company may pay to Mayur Toshniwal, the aforementioned remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of requisite approvals, if any.

Payment or benefit to Directors of our Company

Pursuant to a resolution of our Board dated November 14, 2017, each Independent Director and Non-Executive Director on our Board is entitled to receive (i) sitting fees of ₹ 30,000 per sitting for attending meetings of our Board and the Audit Committee; (ii) sitting fees of ₹ 15,000 per sitting for meetings of the Nomination and Remuneration Committee and meetings of Independent Directors; and (iii) no sitting fee for attending meetings of the Corporate Social Responsibility Committee. Any out of pocket and actual expenses incurred by the Independent Directors for attending meetings of our Board or a committee thereof are borne by our Company, from time to time.

1. *Remuneration to Executive Directors:*

No remuneration has been paid to the Mayur Toshniwal during Fiscal 2017, as he was appointed to our Board on August 5, 2017.

2. *Remuneration to Non-Executive Directors:*

The sitting fees paid to the Non-Executive Directors during Fiscal 2017 are provided in the table below:

Sr. No.	Name of Director	Sitting fees paid (in ₹ million)
1.	Rakesh Biyani	Nil
2.	Vivek Biyani	Nil
3.	Chandra Prakash Toshniwal	Nil
4.	Shyam Maheshwari	Nil
5.	Dinesh Goel	Nil
6.	Janat Shah	0.1
7.	Bala Deshpande	Nil
8.	Nidhi Shankar	0.08
9.	Amar Sapra	Nil
10.	Rahul Garg	Nil
	Total	0.18

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

Except Shyam Maheshwari, who was nominated to our Board by Griffin, pursuant to the Griffin SSHA, there is no arrangement or understanding with major Shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on our Board or any members of the senior management.

Except as stated above, there are no contracts appointing or fixing the remuneration of the Executive Directors of our Company entered into within, or more than the last two years before the date of this Red Herring Prospectus.

Shareholding of our Directors in our Company

In accordance with our Articles of Association, our Directors are not required to hold any qualification Equity Shares.

None of our Directors hold any Equity Shares in our Company, as of the date of filing this Red Herring Prospectus.

None of our Directors hold any equity shares in our Associate, as of the date of filing this Red Herring Prospectus.

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

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

Interest of Directors

1. All Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or a committee thereof, to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.
2. None of our Directors have any interest in any property acquired by our Company two years prior to the date of the Red Herring Prospectus, or proposed to be acquired by our Company.
3. Our Directors have no interest in the promotion of our Company.

4. Except as stated in the sections entitled “*Financial Statements*” and “*Related Party Transactions*” on pages 182 and 181, respectively, none of our Directors are interested in any transaction in acquisition of land, construction of building and supply of machinery and do not have any other interest in our business.
5. Except as disclosed in the section entitled “*Related Party Transactions*” on page 181 and the sitting fee or remuneration, no amount or benefit has been paid, or given, within the two years preceding the date of filing of this Red Herring Prospectus or is intended to be paid, or given, to any of our Directors.
6. No loans have been availed by our Directors from our Company.
7. Except as disclosed in the section entitled “*Financial Statements*” on page 182 none of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company.
8. Other than as disclosed in the sections entitled “*Our Management - Terms of appointment of Executive Directors*”, “*Our Management - Payment or Benefit to Directors of our Company*” on page 150 and ESOPs granted pursuant to the ESOP 2017 as disclosed in the section entitled “*Capital Structure – ESOP 2017*”, on page 76, none of our Directors are parties to any bonus or profit sharing plan of our Company.
9. Further, except in respect of statutory benefits upon termination of their employment in our Company or on retirement, no officer of our Company, including our Directors and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in our Board in the last three years

Name	Date of appointment/ change/cessation	Reason for change
Janat Shah	March 30, 2015	Appointed as an Independent Director
Nidhi Shankar	March 30, 2015	Appointed as an Independent Director
Anshuman Singh	June 1, 2016	Resigned as the Managing Director
Dinesh Goel	June 30, 2016	Appointed as a Nominee, Non-Executive Director
Shyam Maheshwari	June 30, 2016	Appointed as a Nominee, Non-Executive Director
Rajesh Ranavat	June 30, 2016	Resigned as Non-Executive Director
Nidhi Shankar	February 25, 2017	Resigned as Independent Director
Bala Deshpande	May 10, 2017	Appointed as an Independent Director
Mayur Toshniwal	August 5, 2017	Appointed as Managing Director and Chief Executive Officer
Amar Sapra	August 5, 2017	Appointed as an Independent Director
Rahul Garg	August 5, 2017	Appointed as an Independent Director
Vivek Biyani	August 5, 2017	Resigned as Non-Executive Director
Dinesh Goel	August 5, 2017	Resigned as Nominee, Non-Executive Director

Borrowing Powers of Board

Pursuant to our Articles of Association, subject to Sections 179 and 180 and other applicable provisions of the Companies Act, our Board may from time to time at its discretion, generally raise loans or borrow money or secure payment of any sum or sums of money so borrowed for the purpose of our Company. The shareholders of our Company, by resolution dated August 8, 2017, approved the increase in the borrowing powers of our Board to ₹12,500 million.

Corporate governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations,

including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof, and formulation and adoption of policies. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. Our Board functions either as a full board, or through various committees constituted to oversee specific operational areas. The executive management of our Company provides our Board with detailed reports on its performance periodically.

Currently, our Board has eight Directors comprising of one Executive Director, two Non-Executive Directors, one Nominee, Non-Executive Director and four Independent Directors of which one director is a woman director.

Committees of our Board

In addition to the committees of our Board detailed below, our Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Bala Deshpande, *Chairperson*;
2. Janat Shah; and
3. Rahul Garg.

The Audit Committee was constituted by a meeting of our Board of Directors held on October 15, 2008 and re-constituted, from time to time, by meetings of our Board of Directors held on August 28, 2009, May 15, 2015, June 30, 2016, May 10, 2017 and August 5, 2017. The terms of reference of the Audit Committee were revised pursuant to Board resolution dated June 27, 2017. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, and its terms of reference include the following:

- a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board, the appointment, re-appointment, and replacement, remuneration, and terms of appointment of the statutory auditor and the fixation of audit fee;
- c) Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process;
- d) Approving payments to the statutory auditors for any other services rendered by statutory auditors;
- e) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;

- (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Qualifications and modified opinions in the draft audit report.
- f) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 - g) Scrutiny of inter-corporate loans and investments;
 - h) Valuation of undertakings or assets of our Company, wherever it is necessary;
 - i) Evaluation of internal financial controls and risk management systems;
 - j) Approval of any transactions of our Company with Related Parties, including any subsequent modifications thereof;
 - k) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by our Company;
 - l) Evaluating undertakings or assets of our Company, wherever necessary;
 - m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 - n) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
 - o) 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;
 - p) Discussion with internal auditors on any significant findings and follow up thereon;
 - q) 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;
 - r) 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;
 - s) Looking 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;
 - t) Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - u) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
 - v) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and
 - w) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.

The powers of the Audit Committee include the following:

- a) To investigate activity within its terms of reference;
- b) To seek information from any employees;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and result of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses;
- e) The appointment, removal and terms of remuneration of the chief internal auditor; and
- f) Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations

The Audit Committee is required to meet at least four times in a year, and not more than 120 days are permitted to elapse between two meetings in accordance with the terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

- 1. Bala Deshpande; *Chairperson*;
- 2. Rahul Garg; and
- 3. Rakesh Biyani.

The Nomination and Remuneration Committee was constituted by a meeting of our Board held on June 1, 2008 and reconstituted, from time to time, by our Board of Directors at their meetings held on August 28, 2009, May 20, 2016, June 30, 2016, May 10, 2017, June 27, 2017 and August 5, 2017. The terms of reference of the Nomination and Remuneration Committee were revised pursuant to Board resolution dated June 27, 2017. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of independent directors and the Board;
- c) Devising a policy on Board diversity;

- d) Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- e) Analysing, monitoring and reviewing various human resource and compensation matters;
- f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- k) Determine 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; and
- l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Chandra Prakash Toshniwal; *Chairperson*
2. Amar Sapra; and
3. Mayur Toshniwal.

The Stakeholders' Relationship Committee was constituted by our Board at their meeting held on June 27, 2017 and reconstituted by our Board at their meeting held on August 5, 2017. The terms of reference of the Stakeholders' Relationship Committee were adopted pursuant to Board resolution dated June 27, 2017. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference are as follows:

- a) Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;
- b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- c) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- d) Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

- e) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

- 1. Chandra Prakash Toshniwal; *Chairperson*;
- 2. Amar Sapra; and
- 3. Rakesh Biyani.

The Corporate Social Responsibility Committee was constituted by our Board at their meeting held on May 15, 2015 and reconstituted, from time to time, by our Board at their meetings held on June 30, 2016, June 27, 2017 and August 5, 2017. The terms of reference of the Corporate Social Responsibility Committee were revised pursuant to Board resolution dated June 27, 2017. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

- a) Formulating and recommending to the Board the corporate social responsibility policy of our Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;
- b) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- c) Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by our Company;
- d) Identifying and appointing the corporate social responsibility team of our Company including corporate social responsibility manager, wherever required;
- e) Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- f) Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- g) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of our Company.

Committee of Directors

The members of the Committee of Directors are:

- 1. Chandra Prakash Toshniwal;
- 2. Rakesh Biyani; and
- 3. Mayur Toshniwal.

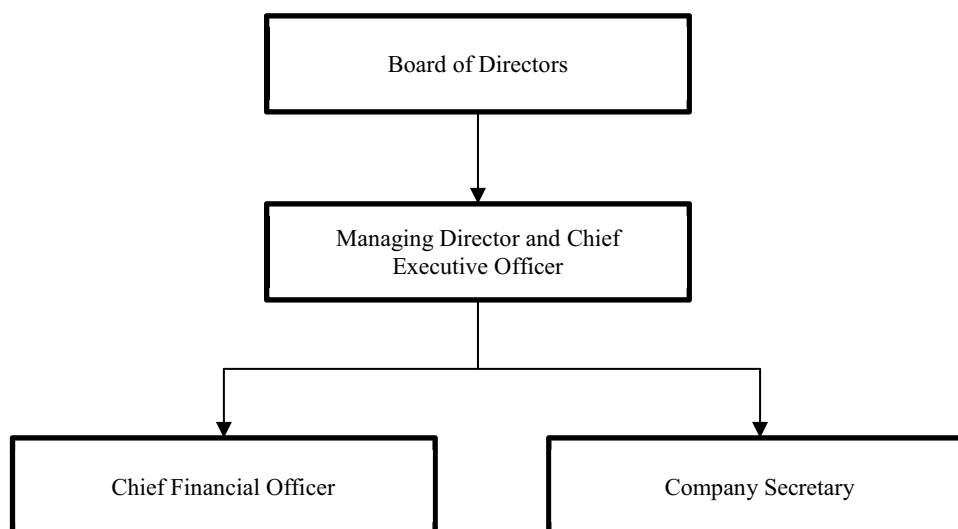
The Committee of Directors was constituted by our Board of Directors on August 28, 2009 and reconstituted, from time to time, by our Board at their meetings held on June 30, 2016, June 27, 2017 and August 5, 2017. The Committee of Directors has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, approve the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, including the Price Band and the Offer Price, to appoint various intermediaries,

negotiating and executing the Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time. The terms of reference of the Committee of Directors include:

- a) To authorize the mode of operations of the bank accounts of our Company;
- b) To open offices and branches of our Company in other parts of the country;
- c) To enter into warehousing and logistic arrangements;
- d) Acquisition of fixed assets up to ₹ 50,000,000;
- e) Obtain loans up to ₹ 500,000,000
- f) To take any other decision on any matter concerning the day to day business of our Company;
- g) To make applications where necessary, to the Reserve Bank of India and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
- h) To finalize, settle, approve, adopt and file in consultation with the Lead Managers where applicable, the DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations / corrections / modifications as may be required by SEBI, the Registrar of Companies or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- i) To decide, in consultation with the Lead Managers, on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and to accept any amendments, modifications, variations or alterations thereto;
- j) To appoint, enter into and terminate arrangements with the Lead Managers, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection banks, refund bankers to the Offer, registrar, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the Lead Managers and negotiation, finalization, execution and, if required, amendment of the Offer agreement with the Lead Managers;
- k) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement and all other documents, deeds, agreements and instruments as may be required or desirable in relation to the Offer;
- l) To seek, if required, the consent of the lenders of our Company and its subsidiaries, parties with whom our Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;
- m) To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of our Company to execute all documents/ deeds as may be necessary in this regard;
- n) To open and operate bank accounts of our Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of our Company to execute all documents/ deeds as may be necessary in this regard;

- o) To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- p) To issue receipts/ allotment letters/ confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of our Company to sign all or any of the aforestated documents;
- q) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- r) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allotment, and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/ confirmation of allotment notes, share certificates in accordance with the relevant rules;
- s) To take all actions as may be necessary and authorized in connection with the Offer for Sale and to approve and take on record the transfer of Equity Shares in the Offer for Sale;
- t) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, the registrar and transfer agent and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of our Company to execute all or any of the aforestated documents;
- u) To make applications for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing permission including without limitation, affixing the common seal of our Company where necessary;
- v) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under Applicable Laws to the officials of the Company; and
- w) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the Committee of Directors may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Committee of Directors shall be conclusive evidence of the authority of the Committee of Directors in so doing.

Management Organisation Chart



Key Management Personnel

The details of the Key Management Personnel of our Company are as follows:

Mayur Toshniwal, 49, is the Managing Director and Chief Executive Officer of our Company. For details in relation to the biography of Mayur Toshniwal, please see the section entitled “*Our Management – Brief Biographies of our Directors*” on page 148. He was not paid any compensation during the last Fiscal, as he was appointed as the Chief Executive Officer on August 5, 2017.

Kailash Chand Sharma, 53, is the Chief Financial Officer of our Company. He holds a bachelor’s degree in commerce from the University of Rajasthan and is a qualified Chartered Accountant from the ICAI. He has over 18 years of experience in financial services, including preparation of financial statements, preparation of accounts, planning and execution of cost audit, and planning and implementation of tax planning measures. He is responsible for finance, treasury and accounts functions in our Company. Previously, he has worked with Future Value Retail Limited, Delta Corporation Mozambique, Orient Press Limited, Indokem Limited and Modern Threads (India) Limited. He has been associated with our Company since July 1, 2013. During the last Fiscal, he was paid a compensation of ₹ 7.20 million.

Vimal K. Dhruve, 42, is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary from the Institute of Company Secretaries of India. He has around 12 years of experience, post qualification, in secretarial and legal affairs. He is responsible for management of secretarial and corporate affairs of our Company. Previously, he has worked with Pantaloons Retail (India) Limited. He has been associated with our Company since May 1, 2010. During the last Fiscal, he was paid a compensation of ₹ 2.46 million.

None of the Key Management Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

Except the options granted to certain of the Key Management Personnel as disclosed in the section entitled “*Capital Structure – ESOP 2017*” on page 76, none of our Key Management Personnel hold any Equity Shares in our Company.

Bonus or profit sharing plans

Except any ESOPs that may be granted pursuant to the ESOP 2017, none of the Key Management Personnel are party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to Key Management Personnel.

Interests of Key Management Personnel

The Key Management Personnel 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 in the ordinary course of business and in the course of performance of their duties. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company, if any.

None of the Key Management Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

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

Further, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as member of senior management.

Changes in the Key Management Personnel

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

Name	Date of change	Reason for change
Kailash Chand Sharma	April 1, 2014	Appointed as Chief Financial Officer
Anshuman Singh	June 1, 2016	Resigned as Managing Director
P.V. Sheshadri	May 10, 2017	Appointed as Chief Executive Officer
Mayur Toshniwal	August 5, 2017	Appointed as Managing Director and Chief Executive Officer
P.V. Sheshadri	August 5, 2017	Resigned as Chief Executive Officer

Payment or Benefit to officers of our Company

Except for the payment of remuneration or commission for services rendered by our employees, no amount or benefit has been paid or given or is intended to be paid or given to any of our Company's employees including the Key Management Personnel within the two years preceding the date of filing of this Red Herring Prospectus.

Employees Stock Options

Our Company has instituted the ESOP 2017. For details, please see the section entitled "*Capital Structure – ESOP 2017*" on page 76.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

FEL is the Promoter of our Company. Our Promoter currently holds 22,472,831 Equity Shares, equivalent to 56.10% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. Our Promoter will continue to hold 51.22% of the post-Offer paid-up Equity Share capital of our Company.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the RoC where FEL has been registered has been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Future Enterprises Limited

Corporate Information

FEL was incorporated on October 12, 1987 as Manz Wear Private Limited at Mumbai as a private limited company under the Companies Act, 1956. The name of our Promoter was changed to Manz Wear Limited, pursuant to the conversion from a private limited company to a public company and a fresh certificate of incorporation was issued dated September 20, 1991. Subsequently, the name of our Promoter was changed to Pantaloon Fashions (India) Limited and a fresh certificate of incorporation was issued dated September 25, 1991.

Consequently, the name of our Promoter was changed to Pantaloon Retail (India) Limited and a fresh certificate of incorporation was issued dated July 7, 1999. Further, the name of our Promoter was changed to Future Retail Limited and a fresh certificate of incorporation was issued dated May 16, 2013. The name of our Promoter was changed to Future Enterprises Limited and a fresh certificate of incorporation was issued dated May 4, 2016.

The registered office of FEL is situated at Knowledge House, Shyam Nagar, Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060, Maharashtra.

The Corporate Identity Number of FEL is L52399MH1987PLC044954.

FEL is currently engaged in the business of retail infrastructure, mainly providing the infrastructure assets and support to various retail formats of Future Retail Limited.

FEL's equity shares have been listed on BSE since July 30, 1992 and NSE since February 20, 2001. Equity shares (Class B Series) of FEL have been listed on BSE and NSE since February 13, 2009.

The individual promoter of FEL is Kishore Biyani.



Kishore Biyani is the Vice-Chairman and Director of FEL. He holds a bachelor's degree in Commerce and a post graduate diploma in management from the University of Mumbai. He has led Future Entities' foray into organized retail and brands across food, fashion and home with the opening of the stores such as, Big Bazaar, Central, Home Town. He has over 37 years of experience in the field of manufacturing, marketing of readymade garments and retail.

The corporate promoter of FEL is Central Departmental Stores Private Limited ("CDSPL"). CDSPL was incorporated on August 31, 2006 as a private limited company. It is involved in the business of dealing in sales, purchases, export, import, distribution of fabric through departmental stores, departmental chain shops, franchise shops, speciality shops, retail chain shops or through any other means for retail selling or otherwise. The board of directors of CDSPL comprises (i) Hemant Kumar Bhotica; (ii) Ravie Manoharlal Lalpurria; (iii) Rajkumar Premvallabh Pande; and (iv) Nikunj Anil Biyani.

Board of directors

The board of directors of FEL as on the date of this Red Herring Prospectus is as follows:

Sr. No	Name	Designation
1.	V. K. Chopra	Chairman and Independent Director
2.	Kishore Biyani	Vice Chairman and Director
3.	Vijay Biyani	Managing Director
4.	Dinesh Maheshwari	Executive Director and Chief Financial Officer
5.	S. Doreswamy	Independent Director
6.	Anil Harish	Independent Director
7.	Bala Deshpande	Independent Director

Shareholding pattern

- The shareholding pattern of FEL in relation to its equity shares as of September 30, 2017 is as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
					No of Voting Rights			Total as a % of (A+B+C)	No.(a)	As a % of total Shares held(b)	No.(a)	As a % of total Shares held(b)	
					Class eg: X	Class eg: Y	Total						
(A) Promoter and Promoter Group	21	205,247,069	205,247,069	47.35	205,247,069	21,327,435	226,574,504	48.94	7,692,307	3.75	113,120,712	55.11	205,247,069
(B) Public	56,357	228,212,767	228,212,767	52.65	228,212,767	8,203,574	236,416,341	51.06		-		-	227,230,492
(C1) Shares underlying DRs				-				-		-		-	
(C2) Shares held by Employee Trust				-				-		-		-	
(C) Non Promoter-Non Public				-				-		-		-	
Total	56,378	433,459,836	433,459,836	100.00	433,459,836	29,531,009	462,990,845	100.00	7,692,307	1.77	113,120,712	26.10	432,477,561

- The shareholding pattern of FEL in relation to its equity shares carrying differential voting rights as of September 30, 2017, are as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				Number of Locked in shares		Number of equity shares held in dematerialized form
					No of Voting Rights			Total as a % of (A+B+C)	No.(a)	As a % of total Shares held(b)	
					Class eg: X	Class eg: Y	Total				
(A) Promoter and Promoter Group	19	28,436,580	28,436,580	72.22	205,247,069	21,327,435	226,574,504	48.94	13,498,300	47.47	28,436,580
(B) Public	15,587	10,938,099	10,938,099	27.78	228,212,767	8,203,574	236,416,341	51.06		-	10,831,022
(C1) Shares underlying DRs				-				-		-	
(C2) Shares held by Employee Trust				-				-		-	
(C) Non Promoter-Non Public				-				-		-	
Total	15,606	39,374,679	39,374,679	100.00	433,459,836	29,531,009	462,990,845	100.00	13,498,300	34.28	39,267,602

Except as disclosed below, there has been no change in the capital structure since September 30, 2017.

- On October 31, 2017, our Promoter issued and allotted 18,440,808 equity shares to Cedar Support Services Limited (“**Cedar**”), subsequent to the exercise of 958 optionally convertible debentures of ₹ 1 million each, allotted to Cedar on May 1, 2016; and
- Pursuant to the Employee Stock Options Scheme 2012 and Employee Stock Option Scheme 2015, our Promoter allotted 93,428 equity shares and 2,002,996 equity shares, respectively, of ₹ 2 each on November 13, 2017 and accordingly, the paid-up capital of our Promoter increased to ₹ 986,743,494.

Financial Information

The financial information of FEL for Fiscals 2017, 2016 and 2015 is provided below:

(in ₹ million, except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Revenue from Operations	44,854.49	84,154.56	110,572.36
Profit/(Loss) After Tax	548.33	444.50	1,529.82
Share Capital	945.67	855.72	1,316.44
Reserves and Surplus	36,879.60	33,024.24	52,361.96
Basic EPS	0.74	0.80	5.69
Basic EPS (Class B-Series 1 equity shares)	0.78	0.84	5.73
Diluted EPS	0.74	0.80	5.69
Diluted EPS (Class B-Series 1 equity shares)	0.78	0.84	5.73
Net asset value per share	80.81	81.06	135.37

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

Changes in the management and control

There has been no change in the management and control of our Promoter in the three years preceding the date of the Draft Red Herring Prospectus.

Interest of Promoter in promotion of our Company

Our Promoter is interested in our Company to the extent that (i) it has promoted our Company; (ii) its shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by it; and (iii) it owns the property at which our Registered Office is situated.

Interest other than as Promoter

For details regarding the shareholding of our Promoter in our Company, please see the section entitled “*Capital Structure*” on page 69.

Interests of Promoter in property of our Company

Our Promoter is not interested in the properties acquired by our Company in the two years preceding the date of filing of the Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Business Interests

Except as disclosed in this Red Herring Prospectus, our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company. For further details, please see the section entitled “*Related Party Transactions*” on page 181.

Except as disclosed in the sections entitled “*Related Party Transactions*” and “*Financial Statements*” on pages 181 and 182, respectively, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of the Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter is directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Related Party Transactions

For details of related party transactions, as per the relevant accounting standards, please see the section entitled “*Related Party Transactions*” on page 181.

Our Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Promoter is not related to any of our sundry debtors of our Company except in the ordinary course of business.

Payment or Benefits to Promoter

Except as disclosed in the section entitled “*Related Party Transactions*” on page 181 and herein:

- (i) there has been no payment or benefit to our Promoter or Promoter Group during the two years prior to the filing of the Draft Red Herring Prospectus
 - Payment of professional fee of ₹ 18.00 million to Suhani Trading and Investments Consultants in Fiscals 2017 and 2016;
 - Inter-corporate deposit issued to Suhani Trading and Investments Consultants of ₹ 750.00 million in Fiscal 2016 and interest thereon amounting to ₹ 77.58 million and ₹ 35.26 million in Fiscals 2017 and 2016, respectively; and
 - Services provided to Goldmohur Design and Apparel Park Limited amounting to ₹ 0.02 million and ₹ 1.74 million in Fiscals 2017 and 2016, respectively.
- (ii) there is no intention to pay or give any benefit to our Promoter or Promoter Group as on the date of filing of this Red Herring Prospectus; and

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

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

Confirmations

Our Promoter and entities forming a part of the Promoter Group have not been declared as Wilful Defaulters.

Further, there are no violations of securities laws committed by our Promoter and entities forming a part of the Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

Our Promoter and entities forming a part of the Promoter Group or the natural persons behind the body corporate, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter and entities forming a part of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in this Red Herring Prospectus, our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoter has not taken any unsecured loans which may be recalled by the lenders at any time.

Promoter Group

The following individuals and entities constitute the Promoter Group of our Company:

1. Natural persons forming part of the Promoter Group

The natural persons who constitute the Promoter Group, are as follows:

- (i) Kishore Biyani; and
- (ii) Vijay Biyani.

2. Entities forming part of Promoter Group

The entities which constitute the Promoter Group, are as follows:

- (i) Apollo Design Apparel Parks Limited;
- (ii) Bluerock eServices Private Limited;
- (iii) Central Departmental Stores Private Limited;
- (iv) Future E-Commerce Infrastructure Limited;
- (v) Future Generali India Insurance Company Limited;
- (vi) Future Generali India Life Insurance Company Limited;
- (vii) Future Media (India) Limited;
- (viii) Future Merchandising and Sourcing Pte. Limited;
- (ix) Future Retail Limited;
- (x) Futurebazaar India Limited;
- (xi) Galaxy Entertainment Corporation Limited;
- (xii) Goldmohur Design and Apparel Park Limited.
- (xiii) Office Shop Private Limited;
- (xiv) Shendra Advisory Services Private Limited;
- (xv) Sprint Advisory Services Private Limited;
- (xvi) Suhani Trading and Investments Consultants; and
- (xvii) Work Store Limited.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, Group Companies includes such companies which are covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a resolution of our Board dated June 27, 2017 and August 5, 2017, for the purposes of disclosure in connection with the Offer, a company shall be considered material and disclosed as a 'Group Company' in the event (a) a company is considered to be a related party of our Company in accordance with the applicable accounting standards, in terms of Accounting Standard 18 in the Restated Financial Statements of the Company as at and for the Fiscals 2015, 2014 and 2013; (b) IND AS 24 in the Restated Financial Statements of the Company as at and for the six month period ended September 30, 2017, Fiscals 2017 and 2016, (except the promoter of the Company and such companies which have ceased to be related parties of the Company as at March 31, 2017); (c) a company which, subsequent to the date of the restated financial statements of the Company, would require disclosure in the audited financial statements of the Company for subsequent periods as related parties covered under IND AS 24; and (d) a company which is material according to the Board being companies forming a part of the Future companies which contribute substantially to the revenue of our Company.

The following are our Group Companies:

1. Apollo Design Apparel Parks Limited;
2. Galaxy Entertainment Corporation Limited;
3. Goldmohur Design and Apparel Park Limited;
4. Future Consumer Limited;
5. Future E-Commerce Infrastructure Limited;
6. Future Generali India Life Insurance Company Limited;
7. Future Lifestyle Fashions Limited;
8. Future Media (India) Limited;
9. Future Retail Limited;
10. Futurebazaar India Limited;
11. Leanbox Logistics Solutions Private Limited; and
12. Work Store Limited.

A. *The details of the top five Group Companies (based on market capitalisation (one month prior to filing of this Red Herring Prospectus) and turnover)*

The details of our top five Group Companies (based on market capitalisation and turnover), as applicable, are provided below:

1. Future Consumer Limited ("FCL")

Corporate Information

FCL was originally incorporated as a public company under the name of Subhikshith Finance and Investments Limited on July 10, 1996 under the Companies Act, 1956. FCL received the certificate of commencement of business dated August 2, 1996 by the RoC. Subsequently, the name of FCL was changed to Subhikshith Finance and Investments Private Limited, pursuant to conversion to a private company. A fresh certificate of incorporation was issued by the RoC dated September 17, 2001. Further, the name of FCL was changed to Future Ventures India Private Limited and a fresh certificate of incorporation was issued by the RoC dated August 9, 2007. Thereafter, the name of FCL was changed from Future Ventures India Private Limited to Future Ventures India Limited and a fresh certificate of incorporation was issued by the RoC dated September 7, 2007. The name of FCL was subsequently changed to Future Consumer Enterprise Limited and a fresh certificate of incorporation was issued by the RoC dated September 30, 2013. The name was further changed to Future Consumer Limited and a fresh certificate of incorporation was issued by the RoC dated October 13, 2016.

FCL an integrated food and FMCG company that is involved in the business of sourcing, processing, manufacturing, branding and distribution of food products.

Interest of our Promoter

Our Promoter directly holds 100 equity shares of FCL, being a nominal percentage of the issued,

subscribed and paid-up equity share capital of FCL.

Financial Performance

The financial information derived from the audited financial results of FCL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	9,883.62	9875.45	9,942.86
Reserves and surplus (excluding revaluation reserves)	(4,968.22)	(4,498.27)	2,247.06
Sales/Turnover	21,158.41	17,020.73	13,122.58
Profit/(Loss) after tax	(610.06)	(1,076.82)	(1,027.6)
Earnings per share (Basic)	(0.34)	(0.65)	(0.64)
Earnings per share (Diluted)	(0.34)	(0.65)	(0.64)
Net asset value per share	4.88	3.44	4.85

*The financial statements for Fiscals 2017 and 2016 are prepared in accordance with Ind AS and the financial statement for Fiscal 2015 is prepared in accordance with IGAAP.

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

Share price information

The equity shares of FCL having a face value of ₹ 6 each are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of FCL during the preceding six months are provided below:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October, 2017	66.90	56.75	66.95	56.65
September, 2017	66.85	48.90	67.00	48.80
August, 2017	50.80	38.60	50.70	38.75
July, 2017	44.80	31.30	45.20	31.20
June, 2017	33.65	30.15	33.70	30.30
May, 2017	33.00	29.20	33.05	29.25

Source: www.bseindia.com and www.nseindia.com.

The closing market price of the equity shares of FCL as on November 24, 2017 on NSE and BSE was ₹ 63.05 and ₹ 63.05 per equity share, respectively.

The market capitalisation of FCL as of November 24, 2017 was ₹ 106,748.60 million.

Except as stated below, there has been no change in the capital structure of FCL in the last six months:

- (i) Pursuant to the issue and allotment of 124,983 equity shares of ₹ 6 each by FCL on November 13, 2017, consequent to the exercise of options, at the exercise price as determined under the ESOP Schemes of FCL, the paid-up share capital of FCL increased to ₹ 11,057,164,092;
- (ii) Pursuant to the conversion of compulsorily convertible debentures and the coupons on October 26, 2017, FCL allotted 149,656,999 equity shares of ₹ 6 each to Black River Food 2 Pte. Limited on October 26, 2017, and the paid-up capital of FCL increased to ₹ 11,056,414,194;
- (iii) Pursuant to the allotment of 110,000 equity shares of ₹ 6 each by FCL on September 28, 2017 consequent to the exercise of options, at the exercise price as determined under the ESOP Schemes of FCL, the paid-up capital of the FCL increased to ₹ 10,158,472,200;

- (iv) Pursuant to the allotment of 1,000,000 equity shares of ₹ 6 each by FCL on September 4, 2017 consequent to the exercise of options, at the exercise price as determined under the ESOP Schemes of FCL, the paid-up capital of the FCL increased to ₹ 10,157,812,200; and
- (v) Pursuant to conversion of warrants on July 31, 2017, FCL allotted 29,476,462 equity shares of ₹ 6 each to its promoter group entity, and consequently the paid-up capital of the FCL increased to ₹ 10,151,812,200.

Previous public issues or rights issues in the last three years

FCL has not undertaken any public issue or rights issue in the last three years.

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

There is no shortfall in performance vis-à-vis objects of any public or rights issue undertaken by FCL.

2. Future Lifestyle Fashions Limited (“FLFL”)

Corporate Information

FLFL was originally incorporated as Future Value Fashion Retail Limited on May 13, 2012 as a public company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC. Subsequently, the name was changed to Future Lifestyle Fashions Limited and a fresh certificate of incorporation was issued by the RoC dated December 4, 2012. FLFL is involved in the business of fashion retail trade.

Interest of our Promoter

Our Promoter does not hold, either directly or indirectly, any of the issued, subscribed and paid-up equity share capital of FLFL.

Financial Performance

The financial information derived from the audited financial results of FLFL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	380.94	379.22	372.42
Reserves and surplus (excluding revaluation)	18,842.80	15,853.19	15,324.77
Sales or Turnover	38,770.74	33,001.87	31,340.90
Profit/(Loss) after tax	449.96	294.70	185.55
Earnings per share (Basic)	2.37	1.55	1.07
Earnings per share (Diluted)	2.37	1.55	1.05
Net asset value per share	101.17	85.61	84.30

**The financial statements for Fiscals 2017, 2016 and 2015 are prepared in accordance with IGAAP.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

Share price information

The equity shares of FLFL having a face value of ₹ 2 each are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of FLFL during the preceding six months are provided below:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October, 2017	362.30	335.05	361.85	334.55
September, 2017	396.65	319.75	396.60	320.15
August, 2017	371.90	313.60	371.80	311.90
July, 2017	321.25	301.15	320.75	302.90
June, 2017	365.85	298.65	366.85	299.90
May, 2017	321.85	281.60	322.25	282.30

Source: www.bseindia.com and www.nseindia.com

The closing market price of the equity shares of FLFL as on November 24, 2017 on NSE and BSE was ₹ 387.95 and ₹ 388.65 per equity share, respectively.

The market capitalisation of FLFL as of November 24, 2017 was ₹ 73,906.40 million.

Other than as disclosed below, there has been no change in the capital structure of FLFL in the last six months:

- (i) Pursuant to the FLFL Employee Stock Options Scheme, 2013, FLFL issued 32,787 fully paid-up equity shares of ₹ 2 each on September 12, 2017 and accordingly, the paid-up capital of FLFL increased to ₹ 380,323,530.
- (ii) Pursuant to the FLFL Employee Stock Options Scheme, 2013 and FLFL Employee Stock Options Plan, 2015, FLFL allotted 232,358 fully paid-up equity shares of ₹ 2 each on November 23, 2017, at an exercise price of ₹ 10 each (including a share premium of ₹ 8 each) and accordingly, the paid-up capital of FLFL increased to ₹ 380,788,246.

Previous public issues or rights issues in the last three years

FLFL has not undertaken any public issue or rights issue in the last three years.

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

There is no shortfall in performance vis-à-vis objects of any public or rights issue undertaken by FLFL.

3. Future Retail Limited (“FRL”)

Corporate Information

FRL was incorporated on February 7, 2007 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, at New Delhi. The name of FRL was changed to Bharti Retail Limited pursuant to a fresh certificate of incorporation dated May 21, 2009 and subsequently to Future Retail Limited pursuant to a fresh certificate of incorporation dated May 25, 2016 issued by the RoC. FRL is involved in the business of operating multiple retail formats in the Indian consumer market under different retail formats including Big Bazaar, FBB, Foodhall, Home Town and eZone.

Interest of our Promoter

Our Promoter does not hold, either directly or indirectly, any of the issued, subscribed and paid-up equity share capital of FRL.

Financial Performance

The financial information derived from the audited financial results of FRL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	943.63	86.95	13,986.60
Reserves and surplus (excluding revaluation)	24,497.80	17,797.00	(18,202.60)
Sales/Turnover	170,750.93	68,451.33	17,794.20
Profit/(Loss) after tax	3,682.78	150.94	(3,792.11)
Earnings per share (Basic)	7.81	0.69	(107.24)
Earnings per share (Diluted)	7.81	0.69	(107.24)
Net asset value per share	52.15	39.76	(0.21)

*The financial statements for Fiscals 2017 and 2016 are prepared in accordance with Ind AS and the financial statement for Fiscal 2015 is prepared in accordance with IGAAP.

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

Share price information

The equity shares of FRL having a face value of ₹2 each are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of FRL during the preceding six months are provided below:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October, 2017	539.65	512.05	539.70	512.70
September, 2017	578.75	507.35	580.15	508.05
August, 2017	533.90	398.30	535.15	399.60
July, 2017	436.40	368.25	436.80	367.80
June, 2017	393.90	329.75	394.65	329.90
May, 2017	352.50	285.65	351.70	285.25

Source: www.bseindia.com and www.nseindia.com

The closing market price of the equity shares of FRL as on November 24, 2017 on NSE and BSE was ₹ 644.85 and ₹ 643.25 per equity share, respectively.

The market capitalisation of FRL as of November 24, 2017 was ₹ 315,071.40 million.

Other than as disclosed below, there has been no change in the capital structure of FRL in the last six months:

- FRL has allotted 625,804 equity shares of ₹ 2 each on January 19, 2017, March 21, 2017 and July 13, 2017 pursuant to its employee stock option scheme.
- Further, pursuant to a scheme of arrangement, FRL allotted 17,847,420 equity shares of ₹ 2 each to Heritage Foods Limited on July 27, 2017. Upon allotment, the issued equity share capital of FRL was ₹ 979,832,304 and paid up equity share capital was 979,623,562.
- FRL allotted 28,52,386 equity shares of ₹ 2 each at a premium of ₹ 538.60 per equity share to Cedar Support Services Limited ("Cedar") on October 31, 2017 amounting to ₹ 1542 million, upon the conversion of 1,542 optionally convertible debentures ("OCDs") of ₹ 1 million each allotted to Cedar pursuant to a scheme of arrangement. Upon allotment, the issued equity share capital of FRL was ₹ 985,328,334 and paid up equity share capital of FRL was ₹ 985,328,334.

Previous public issues or rights issues in the last three years

FRL has not undertaken any public issue or rights issue in the last three years.

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

There is no shortfall in performance vis-à-vis objects of any public or rights issue undertaken by FRL.

4. Galaxy Entertainment Corporation Limited (“GECL”)

Corporate Information

GECL was incorporated on August 13, 1981 under the Companies Act, 1956. GECL is involved in the business of providing entertainment and leisure related activities and family entertainment centres.

Interest of our Promoter

Our Promoter directly holds 49,37,935 equity shares of GECL, being 31.55% of the issued, subscribed and paid-up equity share capital of GECL.

Financial Performance

The financial information derived from the audited financial results of GECL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	156.50	156.50	156.50
Reserves and surplus (excluding revaluation)	(308.27)	(166.14)	(148.19)
Sales/Turnover	417.48	428.97	405.57
Profit/(Loss) after tax	(141.98)	(15.00)	1.44
Earnings per share (Basic)	(0.91)	(0.96)	0.09
Earnings per share (Diluted)	(0.91)	(0.96)	0.09
Net asset value per share	(9.70)	(0.62)	0.53

**The financial statements for Fiscals 2017 and 2016 are prepared in accordance with Ind AS and the financial statement for Fiscal 2015 is prepared in accordance with IGAAP*

Other than as provided below, there are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals:

1. We draw attention to Note No. 3 to the financial statement wherein the management has represented that the recoverable amount of fixed assets within the meaning of Ind AS 36 Impairment of Assets is less than the carrying value and as such impairment loss of ₹ 65.20 million is recognized in the financial statement. We draw attention to Note 21(iii) to the financial statement on capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty, on an undertaking to fulfil export obligation by October 2015 for which Company had sought an extension with Directorate General of Foreign Trade. The company has provided for the custom duty of ₹ 65.34 million (excluding interest) during the year. We draw attention to Note No. 22 to the financial statement, wherein the Company has written off fixed assets and written back the credit balance during the year based on order passed by Hon'ble High Court of Bombay dated July 20, 2016 dismissing the winding up petition filed by the creditor. However, an appeal has been filed against the said order by the Creditor (petitioner) which is pending for admission. Without qualifying our opinion, we draw attention to the financial statement wherein the Company has reported a net loss of ₹ 142.13 million during the year particularly on account of impairment of fixed assets and provision made for contingencies in respect of export obligation. The accumulated losses of the company exceeded its paid-up capital and reserves and the company's

current liabilities exceeded its current assets. The management of the company has represented that the business of the company cannot be affected materially on account of the aforesaid provisions and also the going concern concept. Further as informed to us the Company has entered into new business and is hopeful of generating revenue. Our Opinion is not modified in respect of these matters

2. We draw attention to note 28(c) to the financial statement on capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty, on an undertaking to fulfil export obligation by October 2015 for which Company had sought an extension with Directorate General of Foreign Trade. We draw attention to note 29 to the financial statement regarding winding up petition filed against the company under section 433(e) / 434 of Companies Act, 1956 before the Hon'ble High Court of Bombay. The matter is subjudice. Our Opinion is not modified in respect of these matters.

Share price information

The equity shares of GECL having a face value of ₹ 10 each are listed on BSE. The trading of equity shares of GECL have been restricted as GECL has been placed under graded surveillance measures by BSE.

The monthly high and low of the closing market price of the equity shares of GECL during the preceding six months are provided below:

Month	BSE	
	High (₹)	Low (₹)
October, 2017	19.10	11.90
September, 2017	14.50	13.15
August, 2017	16.00	15.20
July, 2017	16.00	16.00
June, 2017	18.10	15.55
May, 2017	23.50	18.90

Source: www.bseindia.com

The closing market price of the equity shares of GECL as on November 20, 2017 on BSE was ₹ 17.25 per equity share.

The market capitalisation of GECL as of November 24, 2017 was ₹ 270.00 million.

There has been no change in the capital structure of GECL in the last six months.

Previous public issues or rights issues in the last three years

GECL has not undertaken any public issue or rights issue in the last three years.

5. Future Generali India Life Insurance Company Limited ("FGILICL")

Corporate Information

FGILICL was incorporated as a public company on October 30, 2006 with the name Future Generali India Life Assurance Company under the Companies Act, 1956. Subsequently, the name of the company was changed to Future Generali India Life Insurance Company Limited, and a fresh certificate of incorporation was issued on April 18, 2007. FGILICL is registered with the Insurance Regulatory and Development Authority of India. FGILICL is involved in the business of life insurance.

Interest of our Promoter

Our Promoter directly holds 102,436,226 equity shares of FGILICL, amounting to approximately 6.08% of the issued, subscribed and paid-up equity share capital of FGILICL.

Financial Performance

The financial information derived from the audited financial results of FGILICL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	15,074.50	14,520.00	14,520.00
Reserves and surplus (excluding revaluation)	(13.25)	(12.38)	(12.02)
Sales/Turnover	7,398.47	5,924.99	6,042.46
Profit/(Loss) after tax	(870.14)	(356.82)	9.88
Earnings per share (Basic)	(0.59)	(0.25)	0.01
Earnings per share (Diluted)	(0.59)	(0.25)	0.01
Net asset value per share	1.22	1.46	1.72

**The financial statements for Fiscals 2017, 2016 and 2015 are prepared in accordance with IGAAP.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

B. Other Group Companies

1. Apollo Design Apparel Parks Limited (“Apollo”)

Corporate Information

Apollo was incorporated as a public company on November 12, 2007 under the Companies Act, 1956. Apollo is involved in the business of manufacturing and trading of readymade garments.

Interest of our Promoter

Our Promoter directly holds 2,203,500 equity shares of Apollo, being 39% of the issued, subscribed and paid-up equity share capital of Apollo.

2. Goldmohur Design and Apparel Park Limited (“GDAPL”)

Corporate Information

GDAPL was incorporated on November 13, 2007 under the Companies Act, 1956. GDAPL is involved in the business of manufacturing and trading of readymade garments.

Interest of our Promoter

Our Promoter directly holds 2,281,500 equity shares of our company, equivalent to 39% of the issued, subscribed and paid-up equity share capital of GDAPL.

3. Future Media (India) Limited (“FMIL”)

Corporate Information

FMIL was incorporated as a public company on March 8, 2006 under the Companies Act, 1956. FMIL is involved in the business of media and advertising.

Interest of our Promoter

Our Promoter directly holds 27,378,746 equity shares, amounting to approximately 93.10% of the issued, subscribed and paid-up equity share capital of FMIL.

4. Leanbox Logistics Solutions Private Limited (“Leanbox”)

Corporate Information

Leanbox was incorporated as a private company on June 11, 2016 under the Companies Act, 2013. Leanbox is involved in the business of providing technology based transportation solutions.

Interest of our Promoter

Our Promoter indirectly holds 178,500 equity shares amounting to 45% of the issued, subscribed and paid-up equity share capital of Leanbox. Further, our Promoter indirectly holds 19,833 compulsory convertible debentures issued by Leanbox.

5. Work Store Limited (“WSL”)

Corporate Information

WSL was originally incorporated as a private company by the name Future Office Products Private Limited on January 9, 2007 under the Companies Act, 1956. The name of WSL was changed to Staples Future Office Products Private Limited and a fresh certificate of incorporation was issued dated May 21, 2007. WSL was converted to a public limited company and a fresh certificate of incorporation was issued on February 17, 2014. Subsequently, the name of WSL was changed to its current name on July 15, 2017. WSL is involved in the business of office products and stationery.

Interest of our Promoter

Our Promoter directly holds 3,458,654 equity shares, amounting to approximately 61.67% of the issued, subscribed and paid-up equity share capital of WSL. Our Promoter holds 558,088 compulsorily convertible preference shares, amounting to approximately 69.32% of the preference share capital of WSL.

C. Group Companies having negative net-worth

Other than the following, none of our Group Companies have a negative net-worth:

1. Galaxy Entertainment Corporation Limited (“GECL”)

For details in relation to GECL, please see the section entitled “*Our Group Companies - The details of our top five Group Companies (based on market capitalisation and turnover) – Galaxy Entertainment Corporation Limited*” on page 173.

2. Future E-commerce Infrastructure Limited (“FECIL”)

Corporate Information

FECIL was incorporated as a public company on May 25, 2007 under the Companies Act, 1956. FECIL is involved in the business of providing infrastructure support to e-commerce companies and B2B trading of corporate gift vouchers.

Interest of our Promoter

Our Promoter directly holds 16,998,000 equity shares, amounting to approximately 70.42% of the issued, subscribed and paid-up equity share capital of FECIL. Our Promoter directly holds 3,564,096 compulsorily convertible preference shares, amounting to approximately 13.28% of the preference share capital of FECIL.

Financial Performance

The financial information derived from the audited financial results of FECIL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	241.38	241.38	241.38
Reserves and surplus (excluding revaluation)	(907.93)	(920.17)	(918.91)
Sales/Turnover	116.48	101.87	119.65
Profit/(Loss) after tax	12.25	(1.26)	(20.58)
Earnings per share (Basic)	0.51	(0.05)	(0.85)
Earnings per share (Diluted)	0.39	(0.05)	(0.85)
Net asset value per share	(16.49)	(17.00)	(16.95)

*The financial statements for Fiscals 2017 and 2016 are prepared in accordance with Ind AS and the financial statement for Fiscal 2015 is prepared in accordance with IGAAP.

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

3. Futurebazaar India Limited ("FIL")

Corporate Information

FIL was incorporated as a public company on January 23, 2006 under the Companies Act, 1956. FIL is involved in the business of online retailing of goods and merchandise.

Interest of our Promoter

Our Promoter directly holds 19,160,000 equity shares, amounting to 100% of the issued, subscribed and paid-up equity share capital of FIL.

Financial Performance

The financial information derived from the audited financial results of FIL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	191.60	191.60	191.60
Reserves and surplus (excluding revaluation)	(213.62)	(213.12)	(211.06)
Sales/Turnover	117.86	102.68	121.49
Profit/(Loss) after tax	(0.51)	(2.05)	(4.14)
Earnings per share (Basic)	(0.03)	(0.11)	(0.22)
Earnings per share (Diluted)	(0.03)	(0.11)	(0.22)
Net asset value per share	(1.15)	(1.12)	(1.02)

*The financial statements for Fiscals 2017 and 2016 are prepared in accordance with Ind AS and the financial statement for Fiscal 2015 is prepared in accordance with IGAAP.

Except as stated below, there are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals:

1. For Fiscal 2016, FIL has suffered recurring losses from operations with net loss for the year ended March 31, 2016 amounting to ₹ 2.07 million and as of that date, FIL's accumulated losses amount to ₹ 213.12 million as against FIL's share capital of ₹ 191.60 million. These conditions raise significant doubt about FIL's ability to continue as a going concern. The management has committed to infuse additional capital as and when required to meet FIL's commitments. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should FIL be unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

2. For Fiscal 2015, FIL has suffered recurring losses from operations with net loss for the Fiscal ended March 31, 2015 amounting to ₹ 4.14 million and as of that date, FIL's accumulated losses amount to ₹ 211.06 million as against FIL's share capital of ₹ 191.60 million. These conditions raise significant doubt about FIL's ability to continue as a going concern. The management has committed to infuse additional capital as and when required to meet the FIL's commitments. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should FIL be unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

D. Group Companies under winding up

None of our Group Companies are under winding up.

E. Group Companies which are sick companies

None of our Group Companies have been declared as sick companies under the provisions of the Insolvency and Bankruptcy Code, 2016 or the SICA.

F. Loss making Group Companies

The following table provides the details of our Group Companies which have incurred loss in the last Fiscals and profit/(loss) made by them in the last three audited Fiscals:

(Figures in ₹ million except per share data)

S. No.	Name of the entity	Profit/(Loss)		
		Fiscal 2017	Fiscal 2016	Fiscal 2015
1.	Galaxy Entertainment Corporation Limited	(141.97)	(15.00)	1.44
2.	Future Consumer Limited	(610.06)	(1,076.82)	(1,027.64)
3.	Future Generali India Life Insurance Company Limited	(870.14)	(356.82)	9.88
4.	Futurebazaar India Limited	(0.51)	(2.05)	(4.14)
5.	Work Store Limited	(26.24)	(86.12)	(49.24)

G. Defunct Group Companies

None of the Group Companies have remained defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Draft Red Herring Prospectus.

Interest of Group Companies in our Company

(a) In the promotion of our Company

Except as stated in "Related Party Transactions" on page 181, none of our Group Companies have any interest in the promotion or any business interest or other interests in our Company. Further, our Associate has no business interests in our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI

None of our Group Companies were interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

(c) In transactions for acquisitions of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits among the Group Companies or our Associate and our Company

There are no common pursuits or conflict of interest situations amongst any of our Group Companies or our Associate and our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

Other than the transactions disclosed in “*Related Party Transactions*” and “*Risk Factors – Prominent Notes*” on pages 181 and 45, there are no other related business transactions between the Group Companies and our Company.

Sale/Purchase between Group Companies or our Associate and our Company

Other than FRL, neither our Associate, nor any of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate ten per cent of the total sales or purchases of our Company. For further details, please see the section entitled “*Risk Factors – Prominent Notes*” on page 45.

Other Confirmations

None of our Group Companies have undertaken a public or rights issue at any time in the preceding three years.

None of the Group Companies have been debarred from accessing capital market for any reasons by SEBI or any other authorities.

None of the Group Companies have been identified as Wilful Defaulters.

Other than GECL, which has availed an unsecured loan for an aggregate amount of ₹ 185.23 million, none of the Group Companies has availed of unsecured loans which may be recalled by the lenders at any time.

For details in connection with Group Companies from which our Promoter has disassociated during the last three years, please see the section entitled “*Our Promoter and Promoter Group*” on page 162.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to annual operating plans, capital budgets, quarterly and annual results, investments including mergers and acquisitions, legislations impacting business, competition, strategic updates, financial decisions, funding arrangements, macro-economic environment, changes in accounting policies and applicable accounting standards, client related risks, statutory restriction and other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please see section entitled “*Financial Indebtedness*” on page 286.

Our Company has not declared any dividends in the last five Fiscals and the six months ended September 30, 2017.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Statements, please see the section entitled “*Financial Statements*” on page 182.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013, READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

The Board of Directors of

Future Supply Chain Solutions Limited

Knowledge House, Shyam Nagar

Jogeshwari (East), Mumbai, Maharashtra – 400 060

Dear Sirs,

1. We have examined, the attached Restated Financial Information of Future Supply Chain Solutions Limited (the “Company”), which comprise of the Restated Summary Statement of Assets and Liabilities as at September 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Summary Statements of Profit and Loss (including other comprehensive income) and Restated Summary Statement of changes in equity for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016 and 2015 and the Restated Summary Statements of Profit and Loss for years ending March 31, 2014 and 2013 and Restated Summary Statement of Cash Flows for each of the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, and the Summary of Significant Accounting Policies (collectively, the “Restated Financial Information”) as approved by the Board of Directors of the Company prepared in terms of the requirements of:
 - a. sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”) read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules”);
 - b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”); and
2. The preparation of the Restated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 12 below. The management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, Rules and ICDR Regulations.
3. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, the Rules, the ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 28, 2017 in connection with the proposed Initial Public Offer through Offer for Sale (IPO) of the Company;
 - b. The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (ICAI); and
 - c. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
5. These Restated Financial Information have been compiled by the management from the:

- a. Audited financial statements of the Company as at and for the period ended September 30, 2017 prepared in accordance with the Indian Accounting Standards ("Ind-AS") notified under the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 which have been approved by the Board of directors at their meeting held on November 14, 2017.
- b. Audited financial statements of the Company as at and for the year ended March 31, 2017 which include the comparative Ind AS financial statements as at and for the year ended March 31, 2016, prepared in accordance with the Indian Accounting Standards ("Ind-AS") notified under the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 which have been approved by the Board of directors at their meeting held on May 10, 2017.
- c. Audited financial statements of the Company as at and for the years ended March 31, 2014 and 2013, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Indian GAAP") which have been approved by the Board of directors at their meetings held on May 02, 2014 and August 12, 2013 respectively.

The Restated Financial Information also contains the pro forma Ind AS financial statements as at and for the year ended March 31, 2015. These pro forma Ind AS financial statements have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 which have been approved by the Board of directors at their meeting held on May 15, 2015 as described in Annexure VI.

6. In accordance with the requirements of section 26 of part I of chapter III of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
 - a. The proforma financial information as at and for the year ended March 31, 2015 are prepared after making proforma adjustments as mentioned in Annexure VI.
 - b. The Restated Summary Statement of Assets and Liabilities of the Company, as at and for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016 and 2015 under Ind AS, as set out in Annexure I and as at and for the years ended March 31, 2014 and 2013 under Indian GAAP, as set out in Annexure I A to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure XXXVIII and XXIX A respectively: Restated Summary Statement of Adjustments to the audited financial statements.
 - c. The Restated Summary Statement of Profit and Loss (including other comprehensive income) of the Company, for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016 and 2015 under Ind AS, as set out in Annexure II and The Restated Summary Statement of Profit and Loss for the years ended March 31, 2014 and 2013 under Indian GAAP, as set out in Annexure II A to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure XXXVIII and XXIX A respectively: Restated Summary Statement of Adjustments to the audited financial statements.
 - d. The Restated Summary Statement of changes in equity of the Company, for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016 and 2015 under Ind AS, as set out in Annexure III to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure XXXVIII respectively: Restated Summary Statement of Adjustments to the audited financial statements
 - e. The Restated Summary Statement of Cash Flows of the Company, for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016 and 2015 under Ind AS, as set out in Annexure IV and for the years ended March 31, 2014 and 2013 under Indian GAAP, as set out in Annexure III A to this report have been arrived at after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in

Annexure XXXVIII and XXIX A respectively: Restated Summary Statement of Adjustments to the audited financial statements.

- f. Based on the above and according to the information and explanations given to us, we further report that for the Restated Financial Information:
 - i. There were no changes in accounting policies in respective financial years;
 - ii. There were no material amounts which relates to any other period which requires adjustment; and
 - iii. Do not contain any extra-ordinary items that need to be disclosed separately in the Restated Financial Information and do not contain any qualification requiring adjustments.
7. We have also examined the following Restated Financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors on November 14, 2017 as at and for the six month ended September 30, 2017, year ended March 31, 2017, 2016 and 2015.
 - a. Restated Summary of Property, plant and equipment and Depreciation expense included in Annexure VII
 - b. Restated Summary of Intangible assets and amortization expense included in Annexure VIII
 - c. Restated Summary of Investments included in Annexure IX
 - d. Restated Summary of Other Non- Current Financial Assets included in Annexure X
 - e. Restated Summary of Other Non-Current Assets included in Annexure XI
 - f. Restated Summary Income Tax Assets (Net) included in Annexure XII
 - g. Restated Summary Statement of Trade receivables included in Annexure XIII
 - h. Restated Summary Statement of Cash and cash equivalents and other bank balances included in Annexure XIV
 - i. Restated Summary of Other Financial Assets included in Annexure XV
 - j. Restated Summary of Other Current Assets included in Annexure XVI
 - k. Restated Summary of Equity Share capital included in Annexure XVII
 - l. Restated Summary of Other equity included in Annexure XVIII
 - m. Restated Summary of Borrowings included in Annexure XIX
 - n. Restated Summary of Other Non-Current financial liabilities included in Annexure XX
 - o. Restated Summary of Provisions included in Annexure XXI
 - p. Restated Summary of Deferred Tax Liabilities (Net) included in Annexure XXII
 - q. Restated Summary of Trade payables included in Annexure XXIII
 - r. Restated Summary of Other Current Financial Liabilities included in Annexure XXIV
 - s. Restated Summary of Other Current Liabilities included in Annexure XXV
 - t. Restated Summary of Provisions included in Annexure XXVI
 - u. Restated Summary of Revenue from operations included in Annexure XXVII
 - v. Restated Summary of Other income included in Annexure XXVIII
 - w. Restated Summary of Employee benefits expense in Annexure XXIX
 - x. Restated Summary of Finance Costs included in Annexure XXX
 - y. Restated Summary of Other expenses included in Annexure XXXI
 - z. Restated Summary of Taxes included in Annexure XXXII and XXXIV

- aa. Summary of Significant Accounting Policies included in Note 2 to Annexure V
- bb. Summary of Related Party Transactions included in Annexure XXXVI
- cc. Adjustment for Restatement of Profit and Loss included in Annexure XXXVIII

According to the information and explanations given to us, in our opinion, the Restated Financial information and the above restated financial information contained in Annexure I to XLIII accompanying this report read with Summary of Significant Accounting Policies as disclosed in Annexure V are prepared after making adjustments and regroupings/reclassifications as considered appropriate in Annexure XXXVIII and have been prepared in accordance with the Act, Rules, ICDR Regulations and the Guidance Note.

8. We have also examined the following Restated Financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors on November 14, 2017 for the years ended March 31, 2014 and 2013

- a. Restated Summary of Share Capital included in Annexure VA
- b. Restated Summary of Reserves and Surplus included in Annexure VI A
- c. Restated Summary of Borrowings included in Annexure VII A
- d. Restated Summary of Deferred Tax Liabilities (Net) included in Annexure VIII A
- e. Restated Summary of Other Long Term Liabilities included in Annexure IX A
- f. Restated Summary of Long-Term Provisions included in Annexure X A
- g. Restated Summary of Trade Payables included in Annexure XI A
- h. Restated Summary Statement of Other Current Liabilities included in Annexure XII A
- i. Restated Summary Statement of Short Term Provisions included in Annexure XIII A
- j. Restated Summary Statement of Fixed Assets included in Annexure XIV A
- k. Restated Summary of Non-Current Investments in Annexure XV A
- l. Restated Summary of Long Term Loans and Advances in Annexure XVI A
- m. Restated Summary of Other Non-Current Assets included in Annexure XVII A
- n. Restated Summary Statement of Trade Receivables included in Annexure XVIII A
- o. Restated Summary of Cash and Bank Balances included in Annexure XIX A
- p. Restated Summary of Short-term Loans and Advances included in Annexure XX A
- q. Restated Summary of Other Current Assets included in Annexure XXI A
- r. Restated Summary of Revenue from Operations included in Annexure XXII A
- s. Restated Summary of other income included in Annexure XXIII A
- t. Restated Summary of Employee Benefits Expense included in Annexure XXIV A
- u. Restated Summary Statement of Finance Costs included in Annexure XXV A
- v. Restated Summary of Other expenses included in Annexure XXVI A
- w. Restated Summary of Exceptional Items included in Annexure XXVII A
- x. Summary of Related Party Transactions Disclosures included in Annexure XXVIII A
- y. Adjustment for Restatement of Profit and Loss included in Annexure XXIX A

According to the information and explanations given to us, in our opinion, the Restated Financial information and the above restated financial information contained in Annexure I A to XXXIII A accompanying this report read with Summary of Significant Accounting Policies as disclosed in Note 2 in Annexure IV A are

prepared after making adjustments and regroupings/reclassifications as considered appropriate Annexure XXIX A and have been prepared in accordance with the Act, Rules, ICDR Regulations and the Guidance Note.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, Stock Exchanges and Registrar of Companies, Maharashtra in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For NGS & CO. LLP

Chartered Accountants

Firm's Registration No.119850W

Ashok A. Trivedi

Partner

(Membership No.042472)

Place: Mumbai

Date: November 14, 2017

ANNEXURE I Restated Summary of Assets and Liabilities

(₹ In million)					
Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
ASSETS					
Non-Current Assets					
Property, Plant And Equipment	VII	2,074.65	1,287.77	1,370.82	1,461.71
Capital Work In Progress	VII	4.48	698.11	18.26	12.94
Intangible Assets	VIII	9.31	9.68	13.39	27.89
Financial Assets					
Investments	IX	100.00	—	0.07	0.07
Other Financial Assets	X	227.26	227.25	250.92	151.75
Other Non-Current Assets	XI	—	—	0.10	0.10
Income Tax Assets(Net)	XII	—	8.59	89.46	79.00
Total Non-Current Assets		2,415.71	2,231.40	1,743.02	1,733.46
Current Assets					
Financial Assets					
Investments	IX	0.07	0.07	—	—
Trade Receivables	XIII	2,501.74	2,167.07	2,211.21	1,819.14
Cash and Cash Equivalent	XIV	638.14	466.75	14.77	20.78
Bank Balances other than Cash and Cash Equivalent	XIV	3.42	3.32	4.71	4.21
Other Financial Assets	XV	53.61	60.73	789.14	222.36
Other Current Assets	XVI	144.31	165.70	74.18	73.60
Total Current Assets		3,341.30	2,863.65	3,094.01	2,140.08
Total Assets		5,757.00	5,095.05	4,837.03	3,873.54

(₹ In million)					
Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
EQUITY & LIABILITIES					
Equity					
Equity Share Capital	XVII	391.38	391.38	391.38	391.38
Other Equity	XVIII	2,869.16	2,536.71	2,081.02	1,786.39
Total Equity		3,260.55	2,928.09	2,472.40	2,177.77
Liabilities					
Non-Current Liabilities					
Financial Liabilities					
Non-Current Borrowings	XIX	276.12	735.37	442.80	136.76
Other Non-Current Financial Liabilities	XX	17.03	19.56	19.61	15.68
Provisions	XXI	30.25	26.46	19.10	16.15
Deferred Tax Liabilities (Net)	XXII	107.96	100.93	111.82	88.93
Total Non-Current Liabilities		431.37	882.33	593.33	257.52
Current Liabilities					
Financial Liabilities					
Borrowings	XIX	520.78	—	360.16	382.91
Trade Payables	XXIII	1,062.84	977.87	1,082.57	814.16
Other Current Financial Liabilities	XXIV	254.99	199.05	169.17	212.18
Other Current Liabilities	XXV	128.01	106.63	156.05	26.12
Provisions	XXVI	98.47	1.08	3.35	2.89
Total Current Liabilities		2,065.08	1,284.63	1,771.30	1,438.25
Total Equity And Liabilities		5,757.00	5,095.05	4,837.03	3,873.54

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

For and on behalf of the Board of Directors

**For NGS & Co. LLP
Chartered Accountants**

**C.P. Toshniwal
DIN: 00036303**

**Mayur Toshniwal
DIN: 01655776**

**Ashok A. Trivedi
Partner**

**Vimal Dhruve
Company Secretary**

**Kailash Sharma
Chief Financial Officer**

Place: Mumbai

Date: November 14, 2017

ANNEXURE II Restated Summary of Profit and Loss

(₹ In million)					
Particulars	Annexure	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Income					
Revenue From Operations	XXVII	3,574.15	5,611.83	5,198.70	4,079.63
Other Income	XXVIII	77.88	158.09	86.00	27.59
Total Income		3,652.03	5,769.92	5,284.70	4,107.22
Expenses					
Cost of Logistics Services		2,371.53	3,752.80	3,387.47	2,616.75
Employee Benefits Expense	XXIX	328.20	565.47	543.77	438.58
Depreciation and Amortization Expense	VII	102.03	191.40	206.87	195.15
Finance Costs	XXX	43.30	127.59	132.61	103.30
Other Expenses	XXXI	312.61	550.75	568.06	384.90
Total Expense		3,157.66	5,188.01	4,838.78	3,738.68
Profit before exceptional items and tax		494.37	581.92	445.93	368.54
Less : Exceptional items		—	—	—	2.84
Profit before Tax		494.37	581.92	445.93	365.70
Income Tax Expense	XXXII				
(1) Current Tax		154.04	135.26	128.76	68.98
(2) MAT Credit Entitlement		—	—	—	22.02
(3) Deferred Tax (Assets)/Liabilities		7.03	(10.88)	22.89	72.17
		161.07	124.38	151.65	119.13
Profit for the period		333.30	457.54	294.27	246.57
Other Comprehensive Income					
Items that will not be reclassified subsequently to (profit) or loss					
(i) Re-measurement of the defined benefit Plan		1.30	2.83	(1.01)	(0.75)
(ii) Income tax relating to items that will not be reclassified to profit or loss	XXXIII	(0.45)	(0.98)	0.35	0.26
Total other comprehensive income, net of tax		0.85	1.85	(0.66)	(0.49)
Total Comprehensive Income for the period		332.45	455.69	294.94	247.06
Earnings Per Equity Share (Face Value Rs. 10/- each)					
Basic		8.52	11.69	7.52	6.30
Diluted		8.32	11.24	7.34	6.30

Basic and Diluted EPS has been arrived at using Profit for the year before Other Comprehensive Income.

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

For and on behalf of the Board of Directors

**For NGS & Co. LLP
Chartered Accountants**

**C.P. Toshniwal
DIN: 00036303**

**Mayur Toshniwal
DIN: 01655776**

**Ashok A. Trivedi
Partner**

**Vimal Dhruve
Company Secretary**

**Kailash Sharma
Chief Financial Officer**

Place: Mumbai

Date: November 14, 2017

ANNEXURE III Restated Summary of Changes in Equity

Restated Summary Statement of Changes in Equity

	(₹ in million)
A. Equity Share Capital	Amount
Balance as at March 31, 2015 (Proforma)	391.38
Changes in equity share capital during the period	—
Balance as at March 31, 2016	391.38
Changes in equity share capital during the period	—
Balance as at March 31, 2017	391.38
Changes in equity share capital during the period	—
Balance as at September 30, 2017	391.38

(₹ in million)			
Particulars	Reserves and Surplus		Total
	Retained Earnings	Security Premium	
Balance as at March 31, 2015 (Proforma)	186.88	1,599.51	1,786.39
Profit for the period	294.27	—	294.27
Other comprehensive income/(Expenses) for the period (net of tax)	0.66	—	0.66
Impact of Deferred Tax	(0.30)	—	(0.30)
Balance at March 31, 2016	481.51	1,599.51	2,081.02
Profit for the period	457.54	—	457.54
Other comprehensive income/(Expenses) for the period (net of tax)	(1.85)	—	(1.85)
Balance at March 31, 2017	937.20	1,599.51	2,536.71
Profit for the period	333.30	—	333.30
Other comprehensive income/(Expenses) for the period (net of tax)	(0.85)	—	(0.85)
Balance at September 30, 2017	1,269.65	1,599.51	2,869.16

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

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**Ashok A. Trivedi
Partner**

**Vimal Dhruve
Company Secretary**

**Kailash Sharma
Chief Financial Officer**

Place: Mumbai

Date: November 14, 2017

ANNEXURE IV Restated Summary of Cash Flow

(₹ In million)					
	Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit Before Tax and Exceptional Items	494.37	581.92	445.93	368.54
	Adjusted For:				
	Depreciation And Amortization Expense	102.03	191.40	206.87	195.15
	Finance Costs	43.30	127.59	132.61	103.30
	Provision for Doubtful Debts	19.67	5.69	14.38	5.36
	Profit on sale of Fixed Assets	(41.17)	(1.09)	—	—
	Excess Provision Written Back	—	(7.52)	—	—
	Loss on discard of assets	—	—	—	0.10
	Interest Income	(31.67)	(144.44)	(81.46)	(24.22)
	Operating Profit Before Working Capital Changes	586.52	753.55	718.32	648.22
	Adjusted For:				
	Trade Receivable	(354.33)	38.45	(406.45)	(388.77)
	Loans & Advances and Other Assets	36.99	742.92	(677.49)	62.74
	Trade Payables, Other Liabilities and Provisions	289.02	(474.67)	340.64	165.05
B	Cash Generated From Operations	558.20	1,060.25	(24.99)	487.25
	Taxes Paid (Net)	(153.59)	(134.28)	(129.11)	(47.22)
	Net Cash From Operating Activities	404.60	925.97	(154.10)	440.03
	Cash Flow From Investing Activities				
	Purchase Of Property, Plant & Equipment and Intangible Assets	(253.74)	(788.18)	(377.72)	(197.11)
	Sale Of Property, Plant & Equipment and Intangible Assets	100.00	4.77	270.93	(2.49)
	Sale/(Purchase) Of Investments	(100.00)	—	—	—
	Interest Received	31.67	144.44	81.46	24.22
	Net Cash Used In Investing Activities	(222.07)	(638.97)	(25.33)	(175.38)
	Cash Flow From Financing Activities				
C	Adjustment pursuant to Scheme of Amalgamation and Arrangement	—	—	—	(53.23)
	Proceeds From Long Term Loan	32.16	292.57	306.04	(110.16)
	Interest Paid	(43.30)	(127.59)	(132.61)	(103.30)
	Net Cash Provided By Financing Activities	(11.14)	164.98	173.43	(266.69)
	Net (Decrease)/Increase In Cash And Cash Equivalents (A+B+C)	171.39	451.98	(6.01)	(2.04)
	Cash and Cash Equivalents (Opening Balance)	466.75	14.77	20.78	22.81
	Cash and Cash Equivalents (Closing Balance)	638.14	466.75	14.77	20.78

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

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**Ashok A. Trivedi
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**Vimal Dhruve
Company Secretary**

**Kailash Sharma
Chief Financial Officer**

Place: Mumbai

Date: November 14, 2017

ANNEXURE V

Notes forming part of the Restated Financial Information for the period ended September 30, 2017, March 31, 2017, 2016 and 2015.

1. Company Overview

Future Supply Chain Solutions Limited (the Company) is a public Company domiciled in India and incorporated on March 8, 2006. The registered office of the Company is at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060. The Company is one of India's largest organized third-party logistics service operators, offering automated and IT-enabled warehousing, distribution and other logistics solutions to a wide range of customers. Its service offerings, warehousing infrastructure, pan-India distribution network, "hub-and-spoke" transportation model and automated technology systems, has supported its competitive market position. It serves customers across various sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, fast-moving consumer goods ("FMCG"), e-commerce, healthcare, electronics and technology, home and furniture and ATMs.

The Restated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016 and 2015 and the related Restated Summary Statement of Profit and Loss, Restated Summary Statement of Changes in Equity and Restated Summary Statement of Cash Flows for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, and 2015 (hereinafter collectively referred to as "Restated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering through Offer for Sale (IPO) of its equity shares.

These Restated Financial Information have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Restated Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI regulations") as amended from time to time.

The Proforma financial information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015.

2. Significant Accounting Policies

2.1. Statement of compliance

The financial statements as at and for the six month period ended September 30, 2017 and year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS for Shareholders' Fund as at March 31, 2016 and April 1, 2015 and of the total comprehensive income for the year ended March 31, 2016.

For all the periods' upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013 ("Indian GAAP" or "Previous GAAP"). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 2.20 for the details of first-time adoption exemptions availed by the Company.

2.2. Basis of Preparation of Financials Statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Further Restated IND AS Financial Statements for the six month period ended September 30, 2017 are also prepared in accordance with special purpose frameworks covered under SA 800 Special Coordination-Audits of Financial Statements issued by ICAI.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in note.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires a change in accounting policy hitherto in use

2.3. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.4. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as on April 1, 2015 measured as per previous GAAP as it deemed cost on the date of transition.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Plant and Equipment	: 15 years
Office Equipment	: 5 years
Furniture and Fixtures	: 10 years
Electrical Installations	: 10 Years

Vehicle	: 6 year
Computers	: 3 Years
Leasehold improvements	: As per Agreement period

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

2.5. Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on straight line basis over their estimated useful economic life not exceeding ten years.

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The residual values, useful lives and methods of amortization of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognized as on April 1, 2015 measured as per previous GAAP as it deemed cost on the date of transition.

2.6. Leases

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as operating leases and lease rental thereof is charged to the Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

2.7. Financial instruments

2.7.1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.7.2. Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling

financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) Share Capital

(i) Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.7.3. De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial assets.

2.8. Foreign Currency

2.8.1. Functional currency

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to million).

2.8.2. Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.9. Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalized as part of the cost of the respective asset. All other borrowing costs are charged in the period they occur in the statement of profit and loss.

2.10. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

2.10.1. Rendering of Services

Revenue from services are recognized as they are rendered based on agreements/arrangements with the concerned parties and recognized net of service tax (If applicable).

2.10.2. Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

2.11. Current versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.12. Measurement of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- **Level 3** – Input for the asset or liability that are not based on observable market data (unobservable inputs).

2.13. Employee Benefit

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

Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

2.14. Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.15. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16. Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2.17. Impairment

2.17.1. Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

2.17.2. Non-Financial Assets

Intangible assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.18. Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.19. First-time adoption of Ind-AS

These financial statements, for the six month period ended September 30, 2017 and for the year ended March 31, 2017 have been prepared in accordance with Ind-AS. For the year ended up to March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

For the purposes of transition to Ind-AS, the Company has followed the guidance prescribed in Ind-AS 101 - First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in above note have been applied in preparing the financial statements for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss, is set out in below note. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 2.20.

2.20. Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The Company has accordingly applied the following exemptions.

2.20.1. Business Combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date. The Company elected to apply Ind AS 103 prospectively.

2.20.2. Deemed Cost

The Company has elected to continue with the carrying value of all of its property, plant & Equipment and intangible assets recognized as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3. Employee benefits

3.1. Defined benefits plan – Gratuity

Gratuity is administered through Gratuity Scheme with Life Insurance Corporation of India. The LIC raises demand for annual contribution for gratuity amount based on its own computation without providing entire details as required by the Ind AS 19 “Employee Benefits”. Hence the Company obtains separate actuarial valuation report as required under Ind AS 19 “Employee Benefits” from an independent Actuary. The maximum amount as per these two valuation reports is recognized as liability in the books of accounts. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligations.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

(₹ in million)								
Particulars	Gratuity (Unfunded)				Leave Encashment (Unfunded)			
	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Present value of obligation at the beginning of the period	18.93	15.53	12.86	11.03	8.88	7.21	6.41	5.32
Current service cost	2.31	3.53	4.40	3.02	1.35	1.97	2.98	2.06
Interest cost	0.70	1.24	1.03	0.88	0.33	0.57	0.51	0.43
Remeasurement - Actuarial (gain)/Loss	1.30	2.83	(1.01)	(0.75)	0.36	2.74	(0.89)	0.25
Benefits paid by company	(1.64)	(4.19)	(1.75)	(1.32)	(0.81)	(3.61)	(1.80)	(1.64)
Present value of obligation at the period end	21.59	18.93	15.53	12.86	10.10	8.88	7.21	6.41

3.2. Defined benefits plan – Gratuity

(₹ in million)				
Particulars	Gratuity (Funded)			
	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Fair value of plan assets at the beginning of the period	0.30	0.28	0.23	0.22
Remeasurement-Return on plan assets excluding amounts included in interest income	—	(0.00)	0.00	—
Actuarial gain/(loss)	0.01	0.02	0.02	(0.02)
Benefits paid	—	—	—	—
Contributions	—	—	0.03	0.03
Fair value of plan assets at the end the period	0.31	0.30	0.28	0.23

3.3. Net Defined Benefit Liability/ (Assets)

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Defined Benefit Obligation	21.59	18.93	15.53	12.86
Fair Value of Plan Assets	(0.31)	(0.30)	(0.28)	(0.24)
(Surplus) /Deficit	21.29	18.63	15.25	12.62
Effect of Assets Ceiling	—	—	—	—
Net Defined Benefit Liability/ (Assets)	21.29	18.63	15.25	12.62

3.4. Expenses recognized in Statement of Profit and Loss

(₹ In million)								
Particulars	Gratuity (Unfunded)				Leave Encashment (Unfunded)			
	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Current service cost	2.31	3.52	4.40	3.02	1.35	1.97	2.98	2.06
Net interest on the net defined benefit Liability/ Asset	0.69	1.21	1.01	0.88	0.33	0.57	0.51	0.42
Re-measurement on (Gain)/Loss	—	—	—	—	—	—	—	—
Expected return on planned assets	—	—	—	(0.75)	0.36	2.74	(0.89)	0.25
Immediate recognition of (gains)/losses - other long term benefits	—	—	—	0.01	—	—	—	—
Total Expenses Recognized in Profit And Loss Account	3.00	4.74	5.41	3.14	2.03	5.28	2.59	2.73

3.5. Re-measurement Effects Recognized in Other Comprehensive Income (OCI)

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Actuarial (gains)/losses	1.30	2.83	(1.01)	(0.75)
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit Liability/(asset)	—	0.00	0.00	—
Total (Gain) / Loss included in OCL	1.30	2.83	(1.01)	(0.75)

3.6. Financial Assumptions

(₹ In million)								
Particulars	Gratuity (Unfunded)				Leave Encashment (Unfunded)			
	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Discounted rate (per annum)	7.25%	7.50%	8%	8%	7.25%	7.50%	8%	8%
Expected rate of future salary increase	5%	5%	5%	5%	5%	5%	5%	5%

4. Contingent Liabilities

Bank Guarantees outstanding for six month ended September 30, 2017: ₹1.40 million (FY2017: ₹1.50 million, FY2016: ₹4.71 million, FY2015: ₹4.21 million)

5. Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for, (net of advances) six month ended September 30, 2017: ₹36.54 million (FY2017: ₹34.95 million, FY2016: ₹20.76 million, FY2015: ₹ 14.88 million.)

- Cost of Logistics Services includes Rent paid for six month ended September 30, 2017: ₹320.32 million (FY2017 ₹623.86 million FY2016: ₹490.47 million, FY2015: ₹402.78 million)

- The Company had entered into a lease agreement with Maharashtra Airport Development Company Limited wherein the annual lease rent was to be computed at specified percentage of Construction cost which was to be certified by an independent valuer. During the financial year 2016-17, Company has not carried out any valuation from independent valuer, however it was done during financial year 2015-16. The concluding rounds of discussion with the vendor is under process and final assessment of actual monthly rent payable is expected to be concluded during the financial year 2017-18. Accordingly, the impact of change in rent payable will be given in financial year 2017-18 if any.

8. Value of Imports (during the year on CIF basis)

(₹ in million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Capital Goods (CWIP)	1.34	4.39	—	—

9. Payment to the Auditor (Excluding of Service Tax)

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Statutory Audit Fees	—	1.30	0.80	0.75
Tax Audit Fees	—	0.03	0.03	0.03
Other Expenses	—	0.20	—	—
Total	—	1.52	0.83	0.78

10. Leases**Operating Lease Arrangements**

The Company's significant leasing arrangements are in respect of operating leases for premises (office warehouses etc.). These leasing arrangements which are non-cancellable range between 3 months and 12 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are charged as "Rent" under Cost of Logistic Service in Note 6 to Annexure V and Annexure XXXI. Lease Rent payable not later than one year is ₹230.65 million (FY2017: ₹242.15 million, FY2016: ₹207.42 million, FY2015: ₹239.36 million), payable later than one year but not later than five year: ₹668.03 million (FY2017: ₹690.42 million, FY2016: ₹478.52 million, FY2015: ₹617.19 million) and payable later than five years is ₹212.82 million (FY2017: ₹273.36 million, FY2016: ₹205.48 million, FY2015: ₹360.80 million).

11. Financial Risk Management

The company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the managing board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies

11.1. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

11.2. Foreign Currency Risk

The company is exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies.

The following table analyzes foreign currency risk from financial instruments as of:

Trade Payable	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
In GBP	—	5,217.00	5,382.00	NIL
In US \$	—	5,789.09	NIL	21,964.50
(In ₹ million)	0.02	0.54	0.53	1.38

11.3. Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹2,501.74 million, ₹2,167.07 million, ₹2,211.21 million and ₹1,189.14 million as of September 30, 2017, March 31, 2017, March 31, 2016 and March 31, 2015, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the company's historical experience for customers.

11.4. Credit Risk Exposure

Movement in Expected credit loss.

(₹ in million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Beginning of the period	41.93	25.47	11.80	9.00
Movement in Expected Credit Loss	19.17	16.46	13.67	2.80
Balances at the end	61.10	41.93	25.47	11.80

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of 30th September 2017, The Company had a working capital of ₹1,276.21 million including cash and cash equivalent and bank balances other than cash and cash equivalent of ₹641.56 million and current investment of ₹0.07 million.

As of 31st March 2017, The Company had a working capital of ₹1,579.02 million including cash and cash equivalent and bank balances other than cash and cash equivalent of ₹470.07 million and current investment of ₹0.07 million.

As of 31st March 2016, The Company had a working capital of ₹1,322.72 million including cash and cash equivalent and bank balances other than cash and cash equivalent of ₹19.48 million.

As of 31st March 2015, The Company had a working capital of ₹701.84 million including cash and cash equivalent and bank balances other than cash and cash equivalent of ₹24.99 million.

(₹ in million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Short-Term Borrowings	520.78*	NIL	360.16	382.91
Trade Payables	1,062.84	977.87	1,082.57	814.16
Other Current Financial Liabilities	254.99	199.05	169.17	212.18
Outstanding Compensated Expenses	0.26	0.22	1.80	1.60

*Compulsorily Convertible Debentures

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Trade payables				
< 1 year	1,059.41	972.93	1,077.81	811.43
1-5 years	3.43	4.94	4.76	2.72
> 5 years				
Other financial liabilities				
< 1 year	254.99	199.05	169.17	212.18
1-5 years	17.03	19.56	19.61	15.68
> 5 years				
Total	272.02	1,196.49	1,271.35	1,042.02

12. Exceptional Items

Includes Loss on fire ₹ 2.84 million in FY2015

13. Segment Reporting

The Company is engaged only in Logistics business in India and there are no separate reportable business and geographical segments as per Accounting Standard 17, Segment Reporting.

14. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

15. Disclosure on Specified Bank Notes (SBNs)

As per the amendments notified on 30th March, 2017 to Ind AS Schedule III, Clause K is inserted in Note 6 to General Instructions for Preparation of Balance Sheet stating that every company shall disclose the details of SBNs held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the following table:

(₹ in million)			
Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.28	0.87	1.15
(+) Permitted receipts	—	0.22	0.22
(-) Permitted payments	0.09	—	0.09
(-) Amount deposited in Banks	0.19	—	0.19
Closing cash in hand as on 30.12.2016	0.00	1.08	1.08

It is further stated that the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

16. Previous year figures have been regrouped/rearranged wherever necessary

ANNEXURE VI

1. First-time Ind-AS adoption reconciliations

The transition as at April 1, 2015 to Ind-AS was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind-AS are explained below.

1.1. Effect of Ind AS adoption on the Restated Summary of Assets and Liabilities as at March 31, 2016 and March 31, 2015 (Proforma)

Reconciliation of Equity as previously reported under IGAAP to Ind AS							(₹ In million)		
Particulars	Note	Balance Sheet as at March 31, 2016			Balance Sheet as at March 31, 2015 (Proforma)				
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS		
ASSETS									
Non-Current Assets									
Property, Plant and Equipment		1,370.82	—	1,370.82	1,461.71	—	1,461.71		
Capital Work In Progress		18.26	—	18.26	12.94	—	12.94		
Intangible Assets		13.39	—	13.39	27.89	—	27.89		
Financial Assets									
Investments		0.07	—	0.07	0.07	—	0.07		
Other Financial Assets		241.68	9.23	250.92	147.88	3.87	151.75		
Other Non-Current Assets		0.10	—	0.10	0.10	—	0.10		
Income Tax Assets (Net)		89.46	—	89.46	79.00	—	79.00		
Total Non-Current Assets		1,733.78	9.23	1,743.02	1,729.59	3.87	1,733.46		
Current Assets									
Financial Assets									
Investments		—	—	—	—	—	—		
Trade Receivables		2,211.21	—	2,211.21	1,819.14	—	1,819.14		
Cash and Cash Equivalent		14.77	—	14.77	20.78	—	20.78		
Bank Balances other than Cash and Cash Equivalent		4.71	—	4.71	4.21	—	4.21		
Other Financial Assets		789.14	—	789.14	222.36	—	222.36		
Other Current Assets		74.18	—	74.18	73.60	—	73.60		
Total Current Assets		3,094.02	—	3,094.01	2,140.08	—	2,140.08		
Total Assets		4,827.80	9.23	4,837.03	3,869.67	3.87	3,873.54		

Reconciliation of Equity as previously reported under IGAAP to Ind AS						
Particulars	Note	Balance Sheet as at March 31, 2016			Balance Sheet as at March 31, 2015 (Proforma)	
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Ind AS
Equity & Liabilities						
Equity						
Equity Share Capital		391.38	—	391.38	391.38	391.38
Other Equity	a,b,c	2,081.97	(0.95)	2,081.02	1,786.37	1,786.39
Total Equity		2,473.35	(0.95)	2,472.40	2,177.75	2,177.77
Liabilities						
Non-Current Liabilities						
Financial Liabilities						
Non-Current Borrowings	d	550.00	(107.20)	442.80	137.78	136.76
Other Non-Current Financial Liabilities		19.61	—	19.61	15.68	15.68
Provisions		19.10	—	19.10	16.15	16.15
Deferred Tax Liability(Net)	a	111.82	—	111.82	88.62	88.93
Total Non-Current Liabilities		700.53	(107.20)	593.33	258.23	257.52
Current Liabilities						
Financial Liabilities						
Borrowings		360.16	—	360.16	382.91	382.91
Trade Payables		1,082.75	(0.18)	1,082.57	814.77	814.16
Other Current Financial Liabilities		168.99	0.18	169.17	211.57	212.18
Other Current Liabilities	d	38.67	117.38	156.05	21.55	26.12
Provisions		3.35	—	3.35	2.89	2.89
Total Current Liabilities		1,653.92	117.38	1,771.30	1,433.68	1,438.25
Total Equity And Liabilities		4,827.80	9.23	4,837.03	3,869.67	3,873.54

1.2. Total equity reconciliation as at March 31, 2016 and March 31, 2015

(₹ In million)			
Particulars	Note	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		2,473.35	2,177.75
Proforma Adjustments			
Re-measurement of debt instrument and financial assets	a, d	0.96	(0.02)
Total equity under Ind AS		2,472.40	2,177.77

1.3. Effect of Ind-AS adoption on the Restated Summary of Profit and Loss for the year ended March 31, 2016.

(₹ In million)				
Particulars	Note	For the year ended March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS
Income				
Revenue from operations		5,198.70	—	5,198.70
Other Income	d	40.04	45.96	86.00
Total income		5,238.74	45.96	5,284.70
Expenses				
Cost of Logistics Services		3,387.47	—	3,387.47
Employee Benefits Expense	b	542.76	1.01	543.77
Depreciation and Amortization Expense		206.87	—	206.87
Finance costs	d	85.68	46.93	132.61
Other Expenses		568.06	0.00	568.06
Total Expense		4,790.84	47.94	4,838.78
Profit/(loss) before Tax		447.90	(1.98)	445.93
Income Tax Expense:				
Current tax		129.11	0.35	128.76
		129.11	0.35	128.76
Deferred Tax	a	23.19	0.31	22.89
Profit/(loss) for the Year		295.59	(1.32)	294.27
Other Comprehensive Income				
Items that will not be reclassified subsequently to profit or loss				
(i) Re-measurement of the defined benefit Plan			(1.01)	(1.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss			0.35	0.35
Total other comprehensive (income) / Loss, net of tax		—	(0.66)	(0.66)
Total Comprehensive Income for the period		295.59	(0.66)	294.94
Earnings Per Equity Share (Face Value Rs. 10/- each)				
Basic		7.55		7.52
Diluted		7.38		7.34

Basic and Diluted EPS has been arrived at using Profit for the year before Other Comprehensive Income.

1.4. Total comprehensive income reconciliation for the year ended March 31, 2016.

(₹ In million)		
Particulars	Note	Year Ended March 31, 2016
Net Profit for the year under Previous GAAP		295.59
Effect of Other Income		45.96
Re-measurement of the net defined benefit Liability/Assets(net of taxes)	b	(1.01)
Re-measurement of Financial debt/ assets	a, d	(46.27)
Net Profit for the year under Ind AS		294.27
Other comprehensive income, net of tax	b	0.66
Total Comprehensive Income for the year as per Ind AS		294.94

Note:

Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP

1.5. Effect of Ind AS adoption on the Restated Summary of Cash Flows for the year ended March 31, 2016.

(₹ In million)				
	Particulars	For the year ended March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit Before Tax	447.90	(1.98)	445.93
	Adjusted For:	—		
	Depreciation And Amortization Expense	206.87	—	206.87
	Finance Costs	85.68	46.93	132.61
	Provision for Doubtful Debts	14.38	—	14.38
	Interest Income	(35.50)	(45.96)	(81.46)
	Operating Profit Before Working Capital Changes	719.33	(1.01)	718.32
	Adjusted For:			
	Trade Receivable	(405.75)	(0.71)	(406.45)
	Loans & Advances and Other Assets	(672.84)	(4.65)	(677.49)
	Trade Payables, Other Liabilities and Provisions	227.12	113.52	340.64
	Cash Generated From Operations	(132.13)	107.15	(24.99)
	Taxes Paid (Net)	(129.11)	—	(129.11)
	Net Cash From Operating Activities	(261.25)	107.15	(154.10)
B	Cash Flow From Investing Activities			
	Purchase Of Property, Plant & Equipment and Intangible Assets	(377.72)	—	(377.72)
	Sale Of Property, Plant & Equipment and Intangible Assets	270.93	—	270.93
	Interest Received	35.50	45.96	81.46
	Net Cash Used In Investing Activities	(71.29)	45.96	(25.33)
C	Cash Flow From Financing Activities			
	Adjustment pursuant to Scheme of Amalgamation and Arrangement	550.00	(550.00)	—
	Proceeds From Long Term Loan	(137.78)	443.82	306.04
	Interest Paid	(85.68)	(46.93)	(132.61)
	Net Cash Provided By Financing Activities	326.54	(153.11)	173.43
	Net (Decrease)/Increase In Cash And Cash Equivalents (A+B+C)	(6.01)		(6.01)
	Cash and Cash Equivalents (Opening Balance)	20.78		20.78
	Cash and Cash Equivalents (Closing Balance)	14.77		14.77

Notes to Reconciliations:

- a) Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. In addition, the various pro forma adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. On April 1, 2015 deferred taxes have been calculated as per the approach defined in Ind AS 12 and accordingly difference has been accounted in the Statement of Balance Sheet, Profit and Loss and Other comprehensive income. The effect of this change is an increase in total equity as at March 31, 2016 of ₹ (0.31) million (as at March 31, 2015(Proforma) of ₹ 0.31 million), and an increase in profit after tax of ₹0.31 million for the year ended March 31, 2016.
- b) Under previous GAAP, actuarial gains and losses were recognized in profit or loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of the net defined benefit liability / asset which is recognized in other comprehensive income. Consequently, the tax effect of the same has also been recognized in other comprehensive income under Ind AS instead of profit or loss. The actuarial loss for the year ended March 31, 2016 was ₹1.01 million and the tax effect thereon is ₹0.35 million. This change does not affect total equity, but there is a decrease in profit before tax of ₹1.01 million for the year ended March 31, 2016.
- c) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.
- d) Under previous GAAP, financial instruments were measured at the cost of assets / liabilities. Under Ind AS, these have been re-measured at Net Present Value.

1.6. Total equity reconciliation as at March 31, 2015 - Proforma

The Proforma financial information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note. The impact of Ind AS 101 on the equity under Indian GAAP as at March 31, 2015 and the impact on the profit or loss for the year ended March 31, 2015 due to the Ind-AS principles applied on proforma basis during the year ended March 31, 2015 can be explained as under:

(₹ In million)		
Particulars	Note	Year Ended March 31, 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		2,177.75
Proforma Adjustments		
Re-measurement of debt instrument and Financial assets	a, d	0.02
Total equity under Ind AS		2,177.77

1.7. Effect proforma Ind AS adjustments on the Statement of Assets and Liabilities as at March 31, 2015 (Proforma).

Reconciliation of Equity as previously reported under IGAAP to Ind AS (₹ In million)				
Particulars	Note	Balance Sheet as at March 31, 2015 (Proforma)		
		IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment		1,461.71	—	1,461.71
Capital Work In Progress		12.94	—	12.94
Intangible Assets		27.89	—	27.89
Financial Assets				
Investments		0.07	—	0.07
Other Financial Assets	d	147.88	3.87	151.75
Other Non-Current Assets		0.10	—	0.10
Income Tax Assets (Net)		79.00	—	79.00
Total Non-Current Assets		1,729.59	3.87	1,733.46
Current Assets				
Financial Assets				
Investments		—	—	—
Trade Receivables		1,819.14	—	1,819.14
Cash and Cash Equivalent		20.78	—	20.78
Bank Balances other than Cash and Cash Equivalent		4.21	—	4.21
Other Financial Assets		222.36	—	222.36
Other Current Assets		73.60	—	73.60
Total Current Assets		2,140.08	—	2,140.08
Total Assets		3,869.67	3.87	3,873.54

Reconciliation of Equity as previously reported under IGAAP to Ind AS (₹ In million)				
Particulars	Note	Balance Sheet as at March 31, 2015 (Proforma)		
		IGAAP	Effects of transition to Ind-AS	Ind AS
Equity & Liabilities				
Equity				
Equity Share Capital		391.38	—	391.38
Other Equity	a, b, c	1,786.37	0.018	1,786.39
Total Equity		2,177.75	0.02	2,177.77
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Non-Current Borrowings	d	137.78	(1.02)	136.76
Other Non-Current Financial Liabilities		15.68	—	15.68
Provisions		16.15	—	16.15
Deferred Tax Liability(Net)	a	88.62	0.31	88.93
Total Non-Current Liabilities		258.23	(0.71)	257.52
Current Liabilities				
Financial Liabilities				
Borrowings		382.91	—	382.91
Trade Payables		814.77	(0.61)	814.16
Other Current Financial Liabilities		211.57	0.61	212.18
Other Current Liabilities	d	21.55	4.57	26.12
Provisions		2.89	—	2.89
Total Current Liabilities		1,433.68	4.56	1,438.25
Total Equity And Liabilities		3,869.67	3.87	3,873.54

1.8. Effect of proforma Ind AS adjustments on the Statement of Profit and Loss as at March 31, 2015.

Particulars	Note	For the year ended March 31, 2015 (Proforma)			(₹ In million)
		IGAAP	Effects of transition to Ind-AS	Ind AS	
Income					
Revenue from operations		4,079.63	—		4,079.63
Other Income		23.00	4.58		27.59
Total income	d	4,102.64	4.58		4,107.22
Expenses					
Cost of Logistics Services		2,616.75	—		2,616.75
Employee Benefits Expense	b	437.83	0.75		438.58
Depreciation and Amortization Expense		195.15	—		195.15
Finance Costs	d	98.73	4.57		103.30
Other Expenses		384.90	—		384.90
Total Expense		3,733.37	5.32		3,738.68
Profit/(loss) before Exceptional items and Tax		369.27	(0.74)		368.54
Less: Exceptional items		2.84	—		2.84
Profit/(loss) before Tax		366.43	(0.74)		365.70
Income Tax Expense:					
(1) Current tax		69.24	(0.26)		68.98
(2) Less: MAT Payable		22.02	—		22.02
(3) Add: Deferred Tax (Assets) / Liabilities	a	71.86	0.31		72.17
Profit/(loss) for the Year		119.08	0.05		119.13
		247.35	(0.79)		246.57
Total Comprehensive (Income) / Loss for the period		—	(0.49)		(0.49)
Net Profit After Comprehensive Income		247.35	(0.49)		247.06
Earnings Per Equity Share (Face Value Rs. 10/- each)					
Basic		6.32			6.30
Diluted		6.32			6.30

Basic and Diluted EPS has been arrived at using Profit for the year before Other Comprehensive Income

1.9. Total Comprehensive Income reconciliation for the year ended March 31, 2015 (Proforma).

(₹ In million)	
Particulars	For the year ended Mar 31, 2015 (Pro Forma)
Net Profit for the year under Previous GAAP	247.35
Re-measurement of the net defined benefit Liability/Assets	(0.75)
Deferred Tax adjustment	(0.04)
Re-measurement of debt/ Financial assets	0.01
Net Profit for the year under Ind AS	246.57
Re-measurement of the net defined benefit Liability/Assets(net of taxes)	0.49
<i>Other comprehensive income, net of tax</i>	<i>0.49</i>
Total Comprehensive Income for the year as per Ind AS	247.06

Notes to Reconciliations:

- Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. In addition, the various pro forma adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. On April 1, 2015 deferred taxes have been calculated as per the approach defined in Ind AS 12 and accordingly difference has been accounted in the Statement of Balance Sheet. The effect of this change is an in total equity as at March 31, 2015 of ₹ 0.31million,
- Under previous GAAP, actuarial gains and losses were recognized in profit or loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of the net defined benefit liability / asset which is recognized in other comprehensive income. Consequently, the tax effect of the same has also been recognized in other comprehensive income under Ind AS instead of profit or loss. The actuarial gain was ₹0.75 million and ₹ 1.01 million for year ended March 31, 2015 and March 31, 2016 respectively and the tax effect thereon is ₹ 0.26 million and ₹ 0.35 million for year ended March 31, 2015 and March 31, 2016 respectively. This change does not affect total equity, but there is a decrease in profit before tax of ₹ 0.75 million for the year ended March 31, 2015 and ₹ 1.01 million for the year ended March 31, 2016.
- Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.
- Under previous GAAP, financial instruments were measured at the cost of assets / liabilities. Under Ind AS, these have been re-measured at Net Present Value.

ANNEXURE VII Restated Summary of Property, Plant and Equipment

Particulars	Land	Leaschold Improvement	Plant & Equipment	Office Equipment	Computers	Furniture & Fittings	Electrical Installations	Vehicles	Total	(₹ In million) Capital Work in Progress
Cost										
As at March 31, 2015(Proforma)	—	110.61	1,018.72	17.16	30.38	119.08	159.93	5.84	1,461.71	12.94
Additions	55.98	0.33	169.69	12.26	47.00	22.41	64.64	—	372.30	5.32
Deductions/Adjustments	—	—	172.90	6.48	19.33	18.54	53.67	—	270.93	—
As at March 31, 2016	55.98	110.94	1,015.50	22.93	58.04	122.95	170.89	5.84	1,563.08	18.26
Additions	2.84	1.47	11.31	6.98	10.83	9.76	14.24	50.49	107.92	679.86
Deductions/Adjustments	—	—	0.65	0.02	—	0.06	—	4.29	5.03	—
As at March 31, 2017	58.83	112.41	1,026.16	29.89	68.87	132.64	185.14	52.04	1,665.98	698.11
Additions	—	0.21	819.45	3.99	37.58	36.99	47.82	—	946.04	—
Deductions/Adjustments	58.83	—	—	—	—	—	—	—	58.83	693.63
As at September 30, 2017	—	112.61	1,845.62	33.88	106.45	169.63	232.96	52.04	2,553.20	4.48
Accumulated Depreciation										
As at March 31, 2015(Proforma)	—	23.81	93.05	8.23	19.10	20.37	26.84	0.87	192.26	
Depreciation charge for the year	—	22.65	90.46	5.70	14.93	20.12	24.81	8.61	187.29	
Deductions/Adjustments	—	—	0.37	—	0.05	0.01	—	0.91	1.34	
As at March 31, 2017	—	46.45	183.15	13.93	33.98	40.48	51.65	8.57	378.21	
Depreciation charge for the period	—	10.71	50.41	2.51	9.62	10.00	12.94	4.15	100.34	
Deductions/Adjustments	—	—	—	—	—	—	—	—	—	
As at September 30, 2017	—	57.16	233.56	16.44	43.60	50.48	64.59	12.72	478.54	
Net Book Value										
As at September 30, 2017	—	55.45	1,612.06	17.45	62.85	119.16	168.37	39.31	2,074.65	
As at March 31, 2017	58.83	65.95	843.02	15.96	34.89	92.17	133.49	43.46	1,287.77	
As at March 31, 2016	55.98	87.13	922.45	14.70	38.95	102.58	144.06	4.96	1,370.82	
As at March 31, 2015(Proforma)	—	110.61	1,018.72	17.16	30.38	119.08	159.93	5.84	1,461.71	

Note:

Contractual Commitments

Refer Note No. 5 included in Annexure V disclosure of contractual commitments for the acquisition of Property, plant and equipment

ANNEXURE VIII Restated Summary of Intangible Assets

(₹ In million)			
Intangible assets	Computer Software	Exclusive Business Rights	Total
Cost			
As at March 31, 2015 (Proforma)	24.94	2.95	27.89
Additions	0.10	—	0.10
Deductions/Adjustments	—	—	—
As at March 31, 2016	25.04	2.95	27.99
Additions	0.40	—	0.40
Deductions/Adjustments	—	—	—
As at March 31, 2017	25.45	2.95	28.39
Additions	1.33	—	1.33
Deductions/Adjustments	—	—	—
As at September 30, 2017	26.77	2.95	29.72
Accumulated Amortization			
As At March 31, 2015 (Proforma)			
Amortization for the year	13.60	1.00	14.60
Deductions/Adjustments	—	—	—
As at March 31, 2016	13.60	1.00	14.60
Amortization for the year	3.11	1.00	4.11
Deductions/Adjustments	—	—	—
As at March 31, 2017	16.72	2.00	18.72
Amortization for the period	1.24	0.45	1.69
Deductions/Adjustments	—	—	—
As at September 30, 2017	17.69	2.45	20.41
Net Book Value			
As at September 30, 2017	8.81	0.50	9.31
As at March 31, 2017	8.73	0.95	9.68
As at March 31, 2016	11.44	1.95	13.39
As at March 31, 2015 (Proforma)	24.94	2.95	27.89

ANNEXURE IX Restated Summary of Investments

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Investments				
Non-Current Investments				
National Saving Certificate (14 units for each period)*	—	—	0.07	0.07
Unquoted				
(178,500 Equity Shares of ₹10 each of Leanbox Logistics Solutions Pvt Ltd.)	90.00			
19,833 Convertible Debentures of ₹10 Each of Leanbox Logistics Solutions Pvt Ltd.)	10.00			
Total	100.00	—	0.07	0.07

*Financial Assets Carried at amortized cost, under lien with Sales Tax Department

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Investments				
Current Investments				
Non - Trade Investment (at cost)				
Unquoted				
National Saving Certificate (14 units for each period)*	0.07	0.07	—	—
Total	0.07	0.07	—	—

*Financial Assets Carried at amortized cost, under lien with Sales Tax Department

ANNEXURE X Restated Summary of Other Non-Current Financial Assets

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Financial Assets*				
Non-Current Financial Assets - Others				
Unsecured Considered Good				
Security Deposits	227.26	227.25	250.92	151.75
Total	227.26	227.25	250.92	151.75

* Financial Assets Carried at amortized cost

ANNEXURE XI Restated Summary of Other Non-Current Assets

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Non-Current Assets				
Bank Deposit*	—	—	0.10	0.10
Total	—	—	0.10	0.10

*Under lien with Sales Tax Department

ANNEXURE XII Restated Summary of Income Tax Assets (Net)

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Income Tax Assets (Net)				
Deduction of Income Tax (Net of provisions)	—	8.59	89.46	49.41
MAT Credit Entitlement	—	—	—	29.59
Total	—	8.59	89.46	79.00

ANNEXURE XIII Restated Summary of Trade Receivables

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Trade Receivables				
Outstanding for a period more than six months from the date they are due for payment				
Unsecured, Considered Good	141.96	157.81	131.82	75.73
Considered Doubtful	61.10*	41.93*	25.47	11.80
Less : Allowance for Expected Credit Loss	61.10	41.93	25.47	11.80
	141.96	157.81	131.82	75.73
Other Receivables				
Unsecured, Considered Good	2,359.78	2,009.26	2,079.40	1,743.41
Total	2,501.74	2,167.07	2,211.21	1,819.14

*(Includes ₹10.77 million related to slump sale)

Receivables due from related party are provided under Annexure XXXVI

ANNEXURE XIV Restated Summary of Cash and Cash Equivalents & Bank Balances and Other Cash and Cash Equivalents

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Cash and Cash Equivalent				
Balances with Banks				
-In Current Accounts	636.45	465.65	13.80	19.78
-Cash on Hand	1.69	1.10	0.97	1.00
	638.14	466.75	14.77	20.78
Bank Balances other than Cash and Cash Equivalent				
-Bank Deposit*	3.42	3.32	4.71	4.21
Total	3.42	3.32	4.71	4.21

*Under Lien

ANNEXURE XV Restated Summary of Other Financial Assets

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Financial Assets				
Other Current Financial Assets				
Inter Corporate Deposit		—	750.00	150.00
Security Deposits	53.61	60.73	39.14	72.36
	53.61	60.73	789.14	222.36
Doubtful	1.21	0.71	0.71	0.15
Less: Provision for Doubtful Security Deposits	1.21	0.71	0.71	0.15
	—	—	—	—
Total	53.61	60.73	789.14	222.36

ANNEXURE XVI Restated Summary of Other Current Assets

				(₹ In million)
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Current Assets				
Insurance Claim Receivables	1.66	1.26	3.72	1.50
Others*	142.65	164.44	70.47	72.10
Total	144.31	165.70	74.18	73.60

*Includes Receivable from Government Authorities, Prepaid Expenses, Advance to suppliers and Advance Salary

ANNEXURE XVII Equity Share Capital

1. Restated Summary of Equity Share Capital

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015 (Proforma)	
	Number	(₹ In millions)	Number	(₹ In millions)	Number	(₹ In millions)	Number	(₹ In millions)
Authorized								
50,000,000 Equity Shares of ₹10 each	50,000,000	500.00	40,000,000	400.00	40,000,000	400.00	40,000,000	400.00
Total	50,000,000	500.00	40,000,000	400.00	40,000,000	400.00	40,000,000	400.00
Paid up and Subscribed								
39,138,283 Equity Shares of ₹10 each fully paid up	39,138,283	391.38	39,138,283	391.38	39,138,283	391.38	39,138,283	391.38
Total	39,138,283	391.38	39,138,283	391.38	39,138,283	391.38	39,138,283	391.38

1.1. Restated Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
As at March 31, 2015 (Proforma)			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹ in million)	391.38	—	391.38
As at March 31, 2016			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹ in million)	391.38	—	391.38
As at March 31, 2017			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹ in million)	391.38	—	391.38
As at September 30, 2017			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹ in million)	391.38	—	391.38

Note:

The company has only one class of equity shares having a par value of Rs. 10/- per Share. Each holder of equity share is entitled for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

1.2. Restated Summary of More than 5% Shareholding in the Company

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015 (Proforma)	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Equity shares with voting rights								
Future Enterprises Limited (Formerly known as Future Retail Limited)	22,472,831	57.4%	22,472,831	57.4%	27,462,962	70.2%	27,462,962	70.2%
SKC 1 Limited	—	0.0%	—	0.0%	10,175,321	26.0%	10,175,321	26.0%
Griffin Partners Limited	15,654,681	40.0%	15,654,681	40.0%	—	0.0%	—	0.0%
Total	38,127,512	97.4%	38,127,512	97.4%	37,638,283	96.2%	37,638,283	96.2%

ANNEXURE XVIII Restated Summary of Other Equity

Particulars	(₹ In millions)			
	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Equity				
Securities Premium Reserve	1,599.51	1,599.51	1,599.51	1,599.51
Retained earnings	1,269.65	937.20	481.51	186.88
Total	2,869.16	2,536.71	2,081.02	1,786.39

ANNEXURE XIX Restated Summary of Borrowings

1.1. Non-Current Borrowings

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Non-Current Borrowings				
Zero Coupon Fully Convertible Debentures @ ₹10,000 each	—	491.40	442.80	—
Term Loan				
Rupee Term Loan from Banks	276.12	243.37	—	136.76
Rupee Term Loan from Financial Institution		0.59	—	—
Total	276.12	735.37	442.80	136.76

1.2. Current Borrowings

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Borrowings				
Secured				
Working Capital Loans from Banks	—	—	360.16	382.91
Zero Coupon Fully Convertible Debentures @ ₹10000 Each	520.78	—	—	—
Total	520.78	—	360.16	382.91

1.3. Restated Summary of Principal Terms of Borrowing Outstanding as at 30 September, 2017

Lender	Name of Facility	Loan Currency	Amount outstanding as at September 30, 2017 (₹ in million)	Rate of Interest	Repayment Term / Prepayment Terms	Other Principle and Term Conditions
State Bank of India	Term Loan	₹	₹354.13 million (includes current maturities)	9.85% (1.85% above MCLR-1Y)	<ol style="list-style-type: none"> 1. Moratorium Period Jan 17 to Jun 17. 2. Repayment Period of 60 Months from July 17 to Jun 22 3. No prepayment /rescheduling penalty 	First Pari-Passu Charge on entire Fixed Assets (Including immovable properties but excluding land)- Present and future of the Company and personal Guarantee by one of the Directors'
Multiple Banks and NBFCs	Vehicle Loans	₹	₹3.17 million (Including current maturities)	On an overall basis interest rate of ~12.7% based on opening and closing principal outstanding for FY17	<ol style="list-style-type: none"> 1. Complete repayment by September 18 2. Prepayment / foreclosure charges applicable in various loans 	Secured by Vehicles
GTI Capital Gamma Private Limited	CCDs	₹	₹520.78 million, Zero Coupon Compulsory Debentures	Zero Coupon	55,000 CCDs of ₹10,000 Face Value each shall be converted into such number of Equity Shares prior to filing of the Red Herring Prospectus as per the Agreement dated April 30, 2015 entered into by GTI Capital Gamma Private Limited, the Company and FEL, special rights attached to the CCDs include rights such as tag along rights, drag along rights, rights of first offer and right of first refusal; and exit rights	NIL

ANNEXURE XX Restated Summary of Other Non-Current Financial Liabilities

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Non-Current Financial Liabilities				
Security Deposits*	17.03	19.56	19.61	15.68
Total	17.03	19.56	19.61	15.68

*Financial Liabilities Carried at Amortized Cost

ANNEXURE XXI Restated Summary of Provisions

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Non-current - Provisions				
Provision for Employee Benefits	30.25	26.46	19.10	16.15
Total	30.25	26.46	19.10	16.15

ANNEXURE XXII Restated Summary of Deferred Tax Liabilities (Net)

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Deferred Tax Liability				
Related to Fixed Assets	126.95	113.85	130.26	100.55
	126.95	113.85	130.26	100.55
Deferred Tax Assets				
Disallowances under the Income Tax Act, 1961	18.98	12.92	18.44	11.62
	18.98	12.92	18.44	11.62
Deferred tax Liabilities (net)	107.96	100.93	111.82	88.93

ANNEXURE XXIII Restated Summary of Trade Payables

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Trade Payables	1,062.84	977.87	1,082.57	814.16
Total	1,062.84	977.87	1,082.57	814.16

ANNEXURE XXIV Restated Summary of Other Current Financial Liabilities

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Current Financial Liabilities				
Current Maturities of Long Term Borrowings	81.17	71.71	0.78	110.84
Security Deposits	0.38	0.49	5.46	0.46
<i>Deposit received from Customer</i>	<i>0.31</i>	<i>0.31</i>	<i>5.41</i>	<i>0.31</i>
<i>Deposit received from vendor</i>	<i>0.07</i>	<i>0.18</i>	<i>0.05</i>	<i>0.15</i>
Other Payable	173.44	126.85	162.93	100.89
Total	254.99	199.05	169.17	212.18

ANNEXURE XXV Restated Summary of Other Current Liabilities

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Other Current Liabilities				
Deferred Interest	29.22	58.60	107.20	—
Other Payables	98.79	48.03	48.85	26.12
Total	128.01	106.63	156.05	26.12

ANNEXURE XXVI Restated Summary of Provisions

(₹ In million)				
Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015 (Proforma)
Current - Provisions				
Provision for Employee Benefits	1.14	1.08	3.35	2.89
Provision for Income Tax	97.33			
Total	98.47	1.08	3.35	2.89

ANNEXURE XXVII Restated Summary of Revenue from Operations

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Revenue from Operations				
Logistic Services	3,569.84	5,601.58	5,189.35	4,077.04
Other Operating Revenue	4.31	10.26	9.36	2.59
Total	3,574.15	5,611.83	5,198.70	4,079.63

ANNEXURE XXVIII Restated Summary of Other Income

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Other Income				
Recurring				
Interest Income	31.67	144.44	81.46	24.22
Non-Recurring				
Profit on Sale of Fixed Assets	41.17	1.09	1.41	—
Excess Provisions/Liabilities Written Back	—	7.52	0.11	1.79
Miscellaneous Income	5.04	5.04	3.02	1.58
Total	77.88	158.09	86.00	27.59

ANNEXURE XXIX Restated Summary of Employee Benefit Expense

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Employee Benefits Expense				
Salaries, Wages and Bonus	300.19	517.81	491.66	402.33
Contribution to Provident and Other Funds	11.88	16.69	19.21	13.47
Staff Welfare Expenses	16.12	30.96	32.91	22.78
Total	328.20	565.47	543.77	438.58

ANNEXURE XXX Restated Summary of Finance Costs

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Finance Costs				
Interest Expense	43.30	127.59	130.80	102.70
Other Borrowing Costs	—	—	1.81	0.60
Total	43.30	127.59	132.61	103.30

ANNEXURE XXXI Restated Summary of Other Expenses

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Other Expenses				
Power and Fuel	55.95	93.22	85.04	51.56
Repairs and Maintenance				
Building	5.79	11.50	7.46	7.93
Machinery	16.57	28.08	40.26	27.75
Others	20.29	40.91	44.52	10.68
Insurance	6.79	11.11	16.69	7.94
Rates and Taxes	2.61	5.15	2.10	2.65
Rent Including Lease Rentals	14.46	24.74	20.14	16.85
Travelling and Conveyance Expenses	42.75	83.78	91.04	68.68
Auditors' Remuneration				
Statutory Audit Fees	—	1.30	0.80	0.75
Tax Audit Fees	—	0.03	0.03	0.03
Other Services	—	0.20	—	—
Security Expenses	58.38	110.05	104.72	73.79
Allowance for Expected Credit Loss	19.67	5.69	14.38	5.36
Exchange Fluctuation Loss (Net)	—	0.04	0.04	—
Donations	0.06	0.14	0.13	0.05
Miscellaneous Expenses	69.29	134.82	140.73	110.88
Total	312.61	550.75	568.06	384.90

ANNEXURE XXXII Income Tax Expenses

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Income Tax Expense				
Current Tax	154.04	135.26	128.76	68.98
MAT Credit Entitlement	—	—	—	22.02
Deferred Tax (Assets)/Liabilities	7.03	(10.88)	22.89	72.17
Total	161.07	124.38	151.65	119.13

ANNEXURE XXXIII Restated Summary of Other Comprehensive Income

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Other Comprehensive Income				
Items that will not be reclassified subsequently to profit or loss				
(i) Re-measurement of the defined benefit Plan	1.30	2.83	(1.01)	(0.75)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.45)	(0.98)	0.35	0.26
Total other comprehensive income, net of tax	0.85	1.85	(0.66)	(0.49)

ANNEXURE XXXIV Restated Summary of Income Tax

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Income Tax				
Particulars For the period ended				
(a) Profit before tax	494.37	581.92	445.93	365.70
(b) Enacted tax rate in India	34.61%	34.61%	33.99%	33.99%
(c) Expected tax expenses (a*b)	171.10	201.39	151.57	124.30
(d) Other than temporary differences				
Effect of unabsorbed Depreciation	—	—	—	(86.85)
Profit on sale of Fixed Assets	(14.25)	—	—	—
Expenses disallowed / (allowed)	6.81	2.44	7.03	3.32
Effect of timing Difference	(17.08)	(68.57)	(29.85)	5.99
Effect of Deferred Tax (Assets) / Liabilities	7.03	(10.88)	22.89	72.17
Total adjustments	(17.50)	(77.01)	0.07	(5.17)
(e) Tax expenses after adjustments (c+d)	153.59	124.38	151.65	119.13
(f) Tax expenses recognized in Profit or Loss	153.59	124.38	151.65	119.13

ANNEXURE XXXV Financial Instruments by Category

(₹ In million)				
Particulars	Carrying Value			
	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
i) Financial assets				
a) Amortized Cost				
Trade receivables	2,501.74	2,167.07	2,211.21	1,819.14
Cash and cash equivalents	638.14	466.75	14.77	20.78
Bank balances other than cash and cash equivalents	3.42	3.32	4.71	4.21
Loans	—	—	—	—
Other financial assets	53.61	60.73	789.14	222.36
Investments				
- Current	0.07	0.07	—	—
- Non-Current	100.00	—	0.07	0.07
Total	3,296.98	2,697.94	3,019.90	2,066.56
ii) Financial liabilities				
a) Amortized Cost				
Non-Current Borrowing	276.12	735.37	442.80	136.76
Trade payables	1,062.84	977.87	1,082.57	814.16
Other financial liabilities	254.99	199.05	169.17	212.18
Total	1,593.95	1,912.29	1,694.54	1,163.10

ANNEXURE XXXVI Related Party Transactions

The management has identified the following related parties for disclosures under AS 18:

Holding Company – Future Enterprises Limited (erstwhile Future Retail Limited)

An Associate or Joint Venture of member of a group of which the other entity is a member

- Apollo Design Apparel Park Ltd
- Goldmohur Design and Apparel Park Ltd.
- Future Generali India Life Insurance Co. Ltd.

Fellow Subsidiary Company

- Work Store Limited (formerly known as Staples Future Office Products Ltd)
- Galaxy Entertainment Corporation Ltd.

Key Management Personnel

- Anshuman Singh (Managing Director and CEO) – Up to 31st May, 2016.

During the year, following transactions were carried out with the related parties in the ordinary course of business

(₹ in million)

	Holding Company				Fellow Subsidiary Company				Key Management Personnel			
	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)
Nature of Transactions												
Purchase of Fixed Assets	—	—	0.72	61.96	—	—	—	—	—	—	—	—
Future Enterprises Limited			0.72	61.96								
Income from operation	63.24	15.21	1,110.48	1,675.82	7.19	1.81	—	—	—	—	—	—
Future Enterprises Limited	63.24	15.21	1,110.48	1,675.82								
Work Store Ltd					1.48	1.59						
Goldmohur Design & Apparel Park Limited					0.87							
Apollo Design Apparel Park Ltd					0.98	0.22						
Galaxy Entertainment Corporation Limited					3.85							
Reimbursement of Expenses	—	—	4.09	18.79	—	—	—	—	—	—	—	—
Rent paid	—	—	2.15	2.14	—	—	—	—	—	—	—	—
Future Enterprises Limited			2.15	2.14								
Expenses	0.58	—	0.08	0.26	2.80	1.85	—	—	—	—	—	—
Future Enterprises Limited	0.58		0.08	0.26								
Work Store Ltd					0.17	0.05						
Future Generali India Life Insurance Co Ltd.					1.79	1.80						
Galaxy Entertainment Corporation Limited					0.84							
Remuneration	—	—	—	—	—	—	—	—	—	8.02	24.25	19.33
Anshuman Singh										8.02	24.25	19.33
Advances given	—	—	—	—	—	—	—	—	—	—	—	—
As on September 30												
Receivable	58.75	16.78	4.35	635.25	4.07	1.98	—	—	—	—	—	—
Future Enterprises Limited	58.75	16.78	4.35	635.25		—						

(₹ in million)

	Holding Company				Fellow Subsidiary Company				Key Management Personnel			
	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)	Six Month Ended September 30, 2017	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015 (Proforma)
Nature of Transactions												
Work Store Ltd					0.96	1.83						
Goldmohur Design & Apparel Park Limited					0.23							
Apollo Design Apparel Park Ltd					0.51	0.15						
Future Generali India Life Insurance Co Ltd					0.45							
Galaxy Entertainment Corporation Limited					1.93							

Notes:

The shareholders of the Company had passed the special resolution at the extra ordinary general meeting held on 16 April 2013 to waive the recovery of excess remuneration paid to the Managing Director and accordingly, applied to the Central Government. The Central Government has, however, rejected the application and directed the Company to recover the remuneration so paid to the Managing Director.

The shareholders of the Company had also passed the special resolution at the extra ordinary general meeting held on 16 April 2013 for the re-appointment of the Managing Director and accordingly, filed requisite application with the Central Government. The said application is also rejected by the Central Government.

Based on the legal advice, the Company is representing these matters before the Ministry of Corporate Affairs and depending on its outcome, seek recovery of any amount.

No loans and advances, and sundry debtors related to Directors were outstanding during the period under review.

ANNEXURE XXXVII Additional information to the Restated Financial Information**1.1. Expenditure in foreign currency (On Accrual Basis):**

(₹ in million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Travelling Expenses	—	0.31	0.29	0.38
Freight forwarding	1.34	3.23	7.37	9.92
Software Licences	0.78	0.81	1.42	1.48
Spare Parts	3.45	—	1.19	0.60
Professional Fees	0.20	6.21	5.42	—
Management Services	0.88	—	—	—

1.2. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues which are outstanding for more than 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied by the auditors.

ANNEXURE XXXVIII**Adjustment for Restatement of Profit and Loss**

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Net Profit after taxation	332.45	455.69	294.94	247.06
Adjustments	—	—	—	—
Net Profit after taxation as Restated	332.45	455.69	294.94	247.06

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai

Date: November 14, 2017

ANNEXURE XXXIX

Restated Summary of Accounting Ratios

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Earnings Per Share excluding exceptional items (Equity Shares, Par Value of ₹ 10/- each)				
Basic (₹)	8.52	11.69	7.52	6.37
Diluted (₹)	8.32	11.24	7.34	6.37
Return on net worth % (Net profit after tax as restated before Other Comprehensive Income)	10.22%	15.63%	11.90%	11.32%
Net asset value per equity share (₹)	83.31	74.81	63.17	55.64
Number of equity shares outstanding	39,138,283	39,138,283	39,138,283	39,138,283
Weighted average number of equity shares outstanding during the period for calculation of Basic Earnings per Share	39,138,283	39,138,283	39,138,283	39,138,283
Weighted average number of equity shares outstanding during the period for calculation of Diluted Earnings per Share	40,056,238	40,709,712	40,082,314*	39,138,283
Net profit after tax as restated before Other Comprehensive Income	333.30	457.54	294.27	246.57
Share Capital	391.38	391.38	391.38	391.38
Other Equity, as restated	2,869.16	2,536.71	2,081.02	1,786.39
Net worth	3,260.54	2,928.09	2,472.40	2,177.77

* Weighted average diluted number of shares for FY 2016 have been recalculated as 40,082,314 instead of 40,076,639.

1. The Ratio on the basis of restated financial information have been computed as per below :

Basic Earnings Per Share (₹)	$\frac{\text{Net profit as restated before other comprehensive income excluding exceptional items, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
---------------------------------	--

Diluted Earnings Per Share (₹)	$\frac{\text{Net profit as restated before other comprehensive income excluding exceptional items, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares outstanding during the year}}$
-----------------------------------	---

Return on net worth (%)	$\frac{\text{Net profit after tax before other comprehensive income as restated}}{\text{Net Worth as restated at the end of the year}}$
-------------------------	---

Net assets Value (NAV) per equity share(₹)	$\frac{\text{Net Worth as restated at the end of the year}}{\text{Number of equity shares outstanding at the end of year}}$
--	---

2. Earnings per share' calculations are done in accordance with Indian Accounting Standard 33 "Earnings Per Share" issued by the Institute of Chartered Accountants

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

For and on behalf of the Board of Directors

**For NGS & Co. LLP
Chartered Accountants**

**C.P. Toshniwal
DIN: 00036303**

**Mayur Toshniwal
DIN: 01655776**

**Ashok A. Trivedi
Partner**

**Vimal Dhruve
Company Secretary**

**Kailash Sharma
Chief Financial Officer**

Place: Mumbai

Date: November 14, 2017

ANNEXURE XL Restated Summary of Capitalization

(₹ In million)		
Particulars	Pre-Offer for the Six Month Ended September 30, 2017	Adjusted for Post-Offer*
Debt		
- Non-Current Borrowings (Excluding Compulsorily Convertible Debentures)	276.12	
- Compulsorily Convertible Debentures	520.78	
- Current Maturities of Long Term Borrowings	81.17	
- Short Term Borrowings	—	
Total Debt	878.08	
Shareholders' funds		
- Share Capital	391.38	
- Other Equity	2,869.16	
Total Shareholders' funds	3,260.54	
Debt/Equity Ratio	0.27x	

Note: *The corresponding Post-Offer Market Capitalization data is not determinable at this stage pending completion of the book building process and hence has not been provided in the above annexure.

The above statement should be read with Significant Accounting Policies appearing in Annexure V Adjustment for Restatement of Profit and Loss in Annexure XXXVIII, Restated Statement of Accounting Ratios in Annexure XXXIX and Restated Statement of Capitalization in Annexure XL.

See accompanying Annexures forming part of the Restated Financial Information I – XLIII

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner
Place: Mumbai
Date: November 14, 2017

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

ANNEXURE XLI Restated Summary of Tax Shelter

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Profit Before Tax- As Restated (A)	494.37	581.92	445.93	365.70
Notional Tax Rate (B)	34.61%	34.61%	33.99%	33.99%
Tax as per Notional rate on Profit (C)	171.10	201.39	151.57	124.30
ADJUSTMENTS				
Tax Impact of Permanent Differences due to:	—	—	—	—
Investment income	—	—	—	—
Income from sale of property, plant and equipment	(14.25)	(0.38)	(0.48)	1.00
Brought Forwarded Depreciation	—	—	—	(86.65)
Expenses disallowed / (allowed)- Provision for Doubtful Debts	6.81	(1.44)	4.89	1.82
Total Tax impact on Permanent Difference (D)	(7.44)	(1.81)	4.41	(83.83)
Tax impact on Temporary Difference due to:				
Difference between book balance and tax balance of property plant and equipment and intangible assets	(13.10)	(68.57)	(29.85)	5.99
Disallowances under Section 43 B of the Income Tax Act, 1961	—	4.25	0.41	0.97
Others (Provision for incentive scheme for DPs etc.)	3.04	—	—	—
Total Tax impact of Timing Difference (E)	(10.06)	(64.32)	(29.44)	6.97
Net Adjustment F= (D+E)	(17.51)	(66.13)	(25.04)	(76.87)
Adjusted Tax Liability (C+F)	153.59	135.26	126.53	47.44
Less:- Relief u/s. 91	—	—	—	—
Adjusted Tax Liability	153.59	135.26	126.53	47.44
Total Tax as per Return of Income	153.59	135.26	126.53	47.44

ANNEXURE XLII Summary on Adjustments made for Prior period items, incorrect or change in accounting policies, qualifications

NIL

ANNEXURE XLIII Restated Summary of Dividend Paid

(₹ In million)				
Particulars	Six Month Ended September 30, 2017	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015 (Proforma)
Number of equity shares outstanding	3,91,38,283	3,91,38,283	3,91,38,283	3,91,38,283
Dividend paid (₹ in million)	—	—	—	—
Interim dividend (₹ in million)	—	—	—	—
Rate of Dividend (%)	—	—	—	—
Dividend per Equity Share (₹)	—	—	—	—

ANNEXURE I A

Restated Summary of Assets and Liabilities

(₹ in million)			
PARTICULARS	Annexure	As March 31st, 2014	As March 31st, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
a. Share capital	V A	391.38	391.38
b. Reserves and surplus	VI A	1,618.70	1,576.42
Non-current liabilities			
a. Long Term Borrowings	VII A	248.62	328.80
b. Deferred Tax Liabilities (net)	VIII A	16.76	10.49
c. Other Long-term Liabilities	IX A	14.02	11.07
d. Long-Term Provisions	X A	13.69	11.82
Current liabilities			
a. Short-Term Borrowings	VII A	382.63	317.55
b. Trade Payables	XI A	697.43	727.05
c. Other Current Liabilities	XII A	191.03	300.71
d. Short-term Provisions	XIII A	2.43	2.16
Total		3,576.70	3,677.46
ASSETS			
Non-current assets			
a. Fixed Assets			
i. Tangible Assets	XIV A	1,396.94	1,630.56
ii. Intangible Assets	XIV A	41.26	58.28
iii. Capital Work-in- progress		89.27	12.53
b. Non-current Investments	XV A	0.50	0.00
c. Long term Loans and Advances	XVI A	276.47	252.37
d. Other Non-Current Assets	XVII A	0.00	0.10
Current Assets			
a. Trade Receivables	XVIII A	1,460.03	1,647.42
b. Cash and Bank Balances	XIX A	24.16	32.77
c. Short-term Loans and Advances	XX A	204.77	43.39
d. Other current assets	XXI A	83.31	0.04
Total		3,576.70	3,677.46

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure IVA, Adjustment for Restatement of Profit and Loss in Annexure XXIX A and Restated Statement of Accounting Ratios in Annexure- XXX A.

See accompanying notes forming part of the Restated Financial Information I A – XXXIII A

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai

Date: November 14, 2017

ANNEXURE II A Restated Summary of Profit and Loss

			(₹ in million)	
	PARTICULARS	Annexure	For the year ended	
			March 31, 2014	March 31, 2013
1	Revenue From Operations	XXII A	3,301.60	3,535.63
2	Other Income	XXIII A	30.37	5.03
3	Total Revenue (1 + 2)		3,331.97	3,540.66
4	Expenses			
	Cost of Logistics		2,221.58	2,471.00
	Employee benefits expense	XXIV A	441.09	453.42
	Finance Cost	XXV A	109.00	103.05
	Depreciation and amortisation expense	XIV A	132.39	138.68
	Other expenses	XXVI A	359.09	371.20
	Total expenses		3,263.15	3,537.35
5	Profit before exceptional items and tax (3 - 4)		68.82	3.31
6	Exceptional items	XXVII A	20.28	28.00
7	Profit before Tax (5 - 6)		48.54	(24.69)
8	Tax expense:			
	Current tax		4.11	1.12
	Less: MAT Credit Entitlement		4.11	1.12
	Deferred tax		6.27	17.07
	Total tax expense		6.27	17.07
9	Net Profit after Tax (7 - 8)		42.28	(41.76)
12	Earnings per equity share (EPS) face value of ₹ 10/- each)			
	Basic and Diluted EPS (₹)		1.08	(1.07)

Basic and Diluted EPS has been arrived at using Net Profit after Tax.

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure IVA, Adjustment for Restatement of Profit and Loss in Annexure XXIX A and Restated Statement of Accounting Ratios in Annexure- XXX A.

See accompanying notes forming part of the Restated Financial Information I A – XXXIII A

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai

Date: November 14, 2017

ANNEXURE III A Restated Summary of Cash Flows

(₹ in million)		
PARTICULARS	For the year ended	
	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and exceptional items	68.82	3.31
Adjustments for non-cash and non-operating items:		
Add: Depreciation and amortisation expense	132.39	138.68
Reversal of Provision for doubtful advance of subsidiary	27.50	0.00
Loss on discard of assets	9.41	0.00
Provision for doubtful debts	6.45	2.56
Interest income	(19.16)	(0.40)
Interest expense	109.00	103.05
Operating profit before working capital changes	334.40	247.19
Changes in Working Capital		
Increase/(Decrease) in Trade Payables	(29.62)	160.82
Increase/(Decrease) in Other Current Liabilities	(39.50)	362.48
(Increase)/Decrease in Trade Receivables	180.95	(325.57)
(Increase)/Decrease in Other Assets	(235.71)	82.82
CASH GENERATED FROM OPERATIONS	210.52	527.74
Direct Taxes Paid	(33.03)	(22.51)
A. Net Cash generated from operations	177.49	505.23
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Advances for Capital Goods	(99.48)	(293.51)
Insurance Claim on Fire	83.29	0.00
Interest income	19.16	0.40
B. Net Cash used in Investing Activities	2.98	(293.11)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital		
Proceeds from Long Term Borrowing	(80.18)	(106.50)
Interest expense	(109.00)	(103.05)
C. Net Cash used in Financing Activities	(189.18)	(209.55)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(8.71)	2.57
Cash and Cash Equivalents at the beginning of the year	31.52	28.95
Cash and Cash Equivalents at the end of the year	22.81	31.52

Note:

The above statement should be read with Significant Accounting Policies appearing in Annexure IVA, Adjustment for Restatement of Profit and Loss in Annexure XXIX A and Restated Statement of Accounting Ratios in Annexure- XXX A.

See accompanying notes forming part of the Restated Financial Information I A – XXXIII A

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai

Date: November 14, 2017

ANNEXURE IV A

Notes forming part of the Restated Financial Information for the years ended March 31, 2014 and 2013.

1. Company Overview

Future Supply Chain Solutions Limited (the Company) is a public Company domiciled in India and incorporated on March 8, 2006. The registered office of the Company is at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060. The Company is one of India's largest organized third-party logistics service operators, offering automated and IT-enabled warehousing, distribution and other logistics solutions to a wide range of customers. Its service offerings, warehousing infrastructure, pan-India distribution network, "hub-and-spoke" transportation model and automated technology systems, has supported its competitive market position. It serves customers across various sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, fast-moving consumer goods ("FMCG"), e-commerce, healthcare, electronics and technology, home and furniture and ATMs.

The Restated Summary Statement of Assets and Liabilities of the Company as at March 31, 2014 and March 31, 2013 the related Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flows for the year ended March 31, 2014 and March 31, 2013, (hereinafter collectively referred to as "Restated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering through Offer for Sale (IPO) of its equity shares.

These Restated Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI regulations") as amended from time to time.

2. Significant Accounting Policies

2.1. Basis of Preparation

Financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified).

2.2. Use of Estimates

Preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3. Property, plant and equipment

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Depreciation is provided on straight line basis at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 except leasehold improvements which are amortized over the period of lease.

Fixed Assets individually costing less than ₹5,000 are fully depreciated in the year of purchase. Depreciation on the Fixed Assets added / disposed off / discarded during the year is provided on pro-rata basis with reference to the month of addition / disposal / discarding.

2.4. Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated losses, if any.

Intangible assets are amortized on a straight line basis over their useful lives as under:

Assets	Estimated useful life
Software	6 years
Exclusive Business Rights	10 years

2.5. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes etc. Current investments are stated at lower of cost and fair value which is determined on individual basis. Long-term investments are stated at cost, after deducting provisions made, if any, for other than temporary diminution in the value.

2.6. Transactions in foreign currency

Transactions in foreign currencies are recorded at the prevailing rates of exchange on the date of transaction. Monetary items denominated in foreign currencies, are restated at the prevailing rates of exchange at the balance sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the statement of Profit and Loss.

2.7. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured.

Revenue from services rendered is recognized as the service is performed based on agreements / arrangements with concerned parties.

Interest income is recognized in the Statement of Profit and Loss taking into account the amount outstanding and rates applicable.

2.8. Retirement and other employee benefits

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

Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the

present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to Statement of Profit and Loss.

2.9. Taxation

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as at the Balance Sheet date.

Deferred tax asset are recognized only to the extent where there is a reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

Deferred tax assets / liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

The Company offsets the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India (‘ICAI’), the said asset is created by way of a credit to the Statement of Profit and Loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

2.10. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized, but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

2.11. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factor. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

2.12. Operating Leases

Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases and lease rental thereof are charged to the Statement of Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

2.13. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders.

3. Trade Payables

3.1. There are no Micro, Small and Medium Enterprise, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014 and no interest payment has been made during the year to any Micro, Small and Medium Enterprises.

3.2. This information as required to be disclosed under the Micro, Small and Medium Enterprises development Act 2006, has been determined to the extent such parties have been identified the basis of information available with the company

4. Contingent Liabilities

Bank Guarantees outstanding FY2014: ₹ 1.00 million (FY2013: ₹1.25 million)

5. Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for, (net of advances) FY2014: ₹ 3.46 million (FY2013: ₹9.59 million)

6. Cost of Services

Cost of Services includes Rent paid FY2014: ₹ 420.13 million (FY2013: ₹ 440.94 million)

7. Lease

The Company's significant leasing arrangements are in respect of operating leases for premises (office warehouses etc.). These leasing arrangements which are non-cancellable range between 3 months and 11 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are charged as "Rent" under Note 6 Annexure IV A and Annexure XXVI A Lease Rent payable not later than one year in FY2014: ₹ 199.25 million (FY2013: ₹ 242.19 million), payable later than one year but not later than five year in FY2014: ₹ 397.88 million (FY2013: ₹ 547.05 million) and payable later than five years is FY2014: ₹ 310.04 million (FY2013: ₹ 371.14 million)

8. Value of Imports (during the year on CIF basis)

Particulars	(₹ in million)	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Capital Goods	—	7.54

9. Expenditure in Foreign Currency (on accrual basis)

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Travelling Expenses	0.33	0.48
Freight forwarding	4.06	3.78
Software Licenses	0.66	—

10. Disclosure pursuant to Accounting Standard 15 – Employee Benefits

10.1. Defined Contribution Plan

Amount recognized as an expenses and included in Schedule 12 under the ‘Contribution to Provident and Other Funds’ of Statement of Profit and Loss account FY2014: ₹13.43 million (FY2013: ₹ 15.48 million).

10.2. Defined Benefit Plan

Reconciliation of Opening and Closing balances of Defined Benefit Plan

(₹ in million)						
Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Present value of obligation at the beginning of the year	0.19	1.54	8.99	6.39	4.98	5.34
Current service cost	—	—	2.44	2.65	1.69	1.83
Interest cost	—	—	0.74	0.63	0.4	0.43
Actuarial (gain)/Loss	—	(0.05)	0.53	0.37	(0.23)	(0.76)
Benefits paid by company	—	—	(1.86)	(0.94)	(1.53)	(1.85)
Benefit paid by the Insurance Co.	—	1.41	—	—	—	—
Bank Balance	0.04	—	—	—	—	—
Present value of obligation at the year end	0.22	0.19	10.81	8.99	5.32	4.98

10.3. Reconciliation of Opening and Closing balances of Fair value of plan assets

(₹ in million)		
Particulars	Gratuity (Funded)	
	As at March 31, 2014	As at March 31, 2013
Present value of obligation at the beginning of the year	0.19	1.54
Current service cost	—	—
Interest cost	—	—
Actuarial (gain)/Loss	—	(0.05)
Benefits paid by company	—	—
Benefit paid by the Insurance Co.	—	1.41
Bank Balance	0.04	—
Present value of obligation at the year end	0.22	0.19

10.4. Reconciliation of fair value of assets and obligation

(₹ in million)				
Particulars	Gratuity (Funded)		Leave Encashment	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Present value of obligation	11.03	9.18	5.32	4.98
Less: Fair Value of the plan assets	(0.22)	(0.19)	—	—
Liability Recognized in the Balance sheet	10.81	9.00	5.32	4.98

10.5. Expenses recognized in Statement of Profit and Loss

(₹ in million)						
Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Current service cost	—	—	2.44	2.65	1.69	1.83
Interest cost	—	—	0.74	0.63	0.4	0.43
Expected return on plan assets	—	(0.05)	—	—	—	—
Actuarial (gain)/Loss	—	—	0.53	0.32	0.23	(0.77)
Net Cost	—	(0.05)	3.71	3.6	1.87	1.49

10.6. Experience Adjustments

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Defined Benefit Obligation	11.03	9.18
Plan Assets (includes bank balance)	0.22	0.19
Surplus / (Deficit)	(10.81)	(9.00)
Experience adjustments on Plan Liabilities	0.53	0.32
Experience on Plan Assets	NA	0.07

10.7. Assumptions used in the actuarial valuation are as below

Particulars	Gratuity		Leave Encashment	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Discounted rate (per annum)	8%	8%	8%	8%
Expected rate of future salary increase	5%	5%	5%	5%

11. The Company is engaged only in Logistic business in India and there are no separate reportable business and geographical segments as per Accounting Standard 17, Segment Reporting.
12. The Company's assets were damaged/ destroyed in a fire on January 30, 2014 at its warehouse Bangalore. The Company has filed a claim with the insurance company and the survey has been completed by the insurance company. The Company has set up a receivable of ₹ 83.29 million from the insurance company in respect of the value of asset destroyed/ damaged based on the Company's current best estimates and reasonable certainty considering the reports of the relevant authorities and the Company's past experiences. The net loss of ₹ 48.28 million on this account, primary on policy exclusions, has been disclosed as an exceptional item. The operations of the warehouse remains suspended.
13. During the year, the Board of Directors of the Company had approved the amalgamation of FSC Brand Distribution Services Limited. An application in the High Court of Judicature at Bombay has been filed by both the Companies after the close of the financial year. The said scheme will be accounted after requisite approvals have been received.

Accounting Treatment

- a. Upon the scheme becoming effective and from the Appointed Date, the paid up share capital of FSC Brand Distribution Services Limited will be cancelled.
 - b. The assets and liabilities of FSC Brand Distribution Services Limited will be transferred to Future Supply Chain Solutions Limited.
 - c. The difference in the value of assets and the value of liabilities transferred pursuant to the Scheme, along with the debit balance in the Statement of Profit and Loss, to the extent balances available will be debited to Securities Premium Account.
14. Previous year figures have been regrouped/rearranged wherever necessary.

ANNEXURE V A Restated Summary of Share Capital

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number	(₹ in million)	Number	(₹ in million)
Authorised share capital: Equity Shares of ₹ 10/- each	40,000,000	400.00	40,000,000	400.00
Issued, Subscribed and Paid-up share capital: Equity Shares of ₹ 10/- each fully paid up	39,138,283	391.38	39,138,283	391.38
Total	39,138,283	391.38	39,138,283	391.38

3 A - Reconciliation of number of shares

Particulars	Opening Balance	Movement	Closing Balance
As at March 31, 2014			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹) in million	391.38	—	391.38
As at March 31, 2013			
- Number of shares	39,138,283	—	39,138,283
- Amount (₹) in million	391.38	—	391.38

3 B - Rights and restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

3 C - Shares in the company held by holding company

Name of shareholder	As at March 31, 2014	As at March 31, 2013
	Number of Shares Held	Number of Shares Held
Future Enterprises Limited [Formerly Known as Pantaloon Retail (India) Limited]	27,462,962	27,462,962

3 D - Shareholders holding more than 5% of the equity shares in the Company

Name of shareholder	As at March 31, 2014		As at March 31, 2013	
	Number of Shares Held	% holding	Number of Shares Held	% holding
Future Enterprises Limited [Formerly Known as Pantaloon Retail (India) Limited]	27,462,962	70.2%	27,462,962	70.2%
SKC 1 Limited	10,175,321	26.0%	10,175,321	26.0%
Total	37,638,283	96.2%	37,638,283	96.2%

ANNEXURE VI A Restated Summary of Reserves and Surplus

Particulars	(₹ in million)	
	As at March 31, 2014	As at March 31, 2013
a. Securities Premium Account		
As Per Last Balance Sheet	1,649.92	1,649.92
Closing Balance	1,649.92	1,649.92
b. Surplus in Statement of Profit and Loss		
As Per Last Balance Sheet	(73.50)	(31.73)
(+) Net Profit for the year	42.28	(41.76)
Closing Balance	(31.22)	(73.50)
Total (a+b)	1,618.70	1,576.42

ANNEXURE VII A Restated Summary of Borrowings

1.1. Restated Summary of Long-Term Borrowings

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Secured		
Rupee Term Loan from Banks	248.62	328.80
Total	248.62	328.80

1.2. Restated Summary of Short—Term Borrowings

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Secured		
Working Capital borrowing from Banks	382.63	317.55
Total	382.63	317.55

ANNEXURE VIII A Restated Summary of Deferred Tax Liabilities (Net)

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liability		
Related to Fixed Assets	115.38	107.19
	115.38	107.19
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	11.97	5.99
Carry forward losses/ unabsorbed depreciation	86.65	90.70
	98.62	96.70
Deferred Tax Liability (net)	16.76	10.49

ANNEXURE IX A Restated Summary of Other Long Term Liabilities

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Security Deposits	14.02	11.07
Total	14.02	11.07

ANNEXURE X A Restated Summary of Long-Term Provisions

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits		
Provision for gratuity and leave encashment	13.69	11.82
Total	13.69	11.82

ANNEXURE XI A Restated Summary of Trade Payables

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
(a) Trade Payables	697.43	727.05
Total	697.43	727.05

ANNEXURE XII A Restated Summary of Other Current Liabilities

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Current Maturities of Long Term Borrowings	83.32	125.23
Security Deposits	0.45	0.31
Interest Accrued but not due	0.00	0.82
Customer advances	8.04	3.11
Statutory Liabilities	24.82	12.99
Capital Creditors	12.08	22.06
Other Payables	62.32	136.20
Total	191.03	300.71

ANNEXURE XIII A Restated Summary of Short Term Provisions

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits	2.43	2.16
Total	2.43	2.16

ANNEXURE XIV A Restated Summary of Fixed Assets

(₹ in million)												
Description	Tangible Assets							Intangible Assets			Total Gross Block	Previous Year Gross Block
	Leasehold Improvements	Plant and Machinery	Electrical Installations	Computers	Furniture and fixtures	Vehicles	Office equipment	Total Tangible Assets	Software	Exclusive Business Rights	Total Intangible Assets	
Gross Block												
As at April 1, 2013	97.58	1,382.60	220.98	205.79	176.31	2.41	33.57	2,119.22	107.78	10.00	117.78	2,237.00
Additions during the year	0.00	8.43	1.99	2.33	3.95	4.87	0.14	21.73	1.01	0.00	1.01	302.69
Deletions	13.19	124.19	36.76	11.69	2.95	0.00	0.96	189.75	0.00	0.00	0.00	16.69
As at March 31, 2014	84.38	1,266.84	186.21	196.43	177.31	7.28	32.75	1,951.20	108.79	10.00	118.79	2,069.99
												2,237.00
Description	Tangible Assets							Intangible Assets			Total Accumulated Depreciation and Amortization	Prev. Year Accumulated Depreciation and Amort.
	Leasehold Improvements	Plant and Machinery	Electrical Installations	Computers	Furniture and fixtures	Vehicles	Office equipment	Total Tangible Assets	Software	Exclusive Business Rights	Total Intangible Assets	
Accumulated Depreciation and Amortization												
Upto April 1, 2013	79.38	204.91	33.48	129.47	33.82	0.30	7.31	488.66	54.45	5.05	59.50	417.32
Deductions For the year	11.81	20.12	7.92	7.88	0.89	0.00	0.15	48.77	0.00	0.00	0.00	7.84
	4.29	63.79	9.99	22.72	11.21	0.27	2.08	114.36	17.03	1.00	18.03	138.68
Upto March 31, 2014	71.86	248.58	35.54	144.31	44.15	0.57	9.24	554.26	71.47	6.05	77.53	548.16
Description	Tangible Assets							Intangible Assets			Total Net Block	Previous Year Net Block
	Leasehold Improvements	Plant and Machinery	Electrical Installations	Computers	Furniture and fixtures	Vehicles	Office equipment	Total Tangible Assets	Software	Exclusive Business Rights	Total Intangible Assets	
Net Block												
As at March 31, 2013	18.20	1,177.69	187.50	76.31	142.48	2.11	26.26	1,630.56	53.33	4.95	58.28	1,533.68
As at March 31, 2014	12.52	1,018.25	150.67	52.12	133.16	6.71	23.51	1,396.94	37.32	3.95	41.26	1,688.84

ANNEXURE XV A Restated Summary of Non-Current Investments

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
	Non-current investments	Non-current investments
Non - Trade Investment (at cost)		
Unquoted		
Equity Shares in Subsidiary		
50,000 Equity share of FSC Brand Distribution Services Limited of ₹ 10/- each fully paid up	0.50	0.50
Less : Provision for Diminution	—	0.50
Aggregate cost of unquoted investments	0.50	—

ANNEXURE XVI A Restated Summary of Long Term Loans and Advances

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
A. Unsecured, considered good		
Capital Advances	0.39	0.42
Security Deposits	166.17	209.68
Advance to Subsidiary	30.5	—
Deduction of Income Tax (Net of provisions)	71.85	38.82
MAT Credit Entitlement	7.56	3.45
Total (A)	276.47	252.37
B. Unsecured, considered doubtful		
Advance to Subsidiary	—	27.5
Less: Provision	—	27.5
Total (B)	—	—
Total (A+B)	276.47	252.37

No long term loans and advances were extended to related parties as per details provided in Annexure XXVIII A.

ANNEXURE XVII A Restated Summary of Other Non-Current Assets

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Long term bank deposits	—	0.10
Total	—	0.10

ANNEXURE XVIII A Restated Summary of Trade Receivables

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured)		
- Outstanding for a period exceeding six months		
Considered doubtful	9.00	3.13
Considered good	59.91	36.52
Less: Provision for doubtful debts	9.00	3.13
	59.91	36.52
Other debts considered good	1,400.12	1,610.90
Total	1,460.03	1,647.42

Details of receivables due from related parties are provided under Annexure XXVIII A

ANNEXURE XIX A Restated Summary of Cash and Bank Balances

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Cash and cash equivalents		
Balances with Banks:		
-In Current Accounts	21.29	29.14
-Cash on Hand	1.52	2.39
	22.81	31.52
Other bank balances		
Short term bank deposits*	1.35	1.25
Total	24.16	32.77

* Lien with Sales tax department

ANNEXURE XX A Restated Summary of Short-term Loans and Advances

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
A. Unsecured, considered good		
Security Deposits	41.84	16.89
Others Loans and Advances*	12.93	26.50
Inter Corporate Deposit	150.00	—
Total (A)	204.77	43.39
B. Unsecured, considered doubtful		
Security Deposits	0.15	0.15
Less: Provision	0.15	0.15
Total (B)	—	—
Total (A+B)	204.77	43.39

* Primarily includes advances to suppliers and Indirect taxes receivable.

No short-term loans and advances were due from related parties as per details provided in Annexure XXVIII A.

ANNEXURE XXI A Restated Summary of Other Current Assets

(₹ in million)		
Particulars	As at March 31, 2014	As at March 31, 2013
Interest receivable	0.01	0.04
Insurance Claim Receivable	83.29	—
Total	83.31	0.04

ANNEXURE XXII A Restated Summary of Revenue from Operations

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Logistic Services	3,298.53	3,531.34
Other Operating Income	3.07	4.28
Total	3,301.60	3,535.63

ANNEXURE XXIII A Restated Summary of other income

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Recurring		
Interest Income	19.16	0.40
Non-Recurring		
Sundry Balance written back	2.44	—
Other income	8.78	4.63
Total	30.37	5.03

ANNEXURE XXIV A Restated Summary of Employee Benefits Expense

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
(a) Salaries, wages and bonus	406.76	410.06
(b) Contribution to provident and other funds	13.43	15.47
(c) Staff welfare expenses	20.90	27.89
Total (a+b+c)	441.09	453.42

ANNEXURE XXV A Restated Summary of Finance Cost

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Interest Expense	106.06	103.05
Other Borrowing Cost	2.94	—
Total	109.00	103.05

ANNEXURE XXVI A Restated Summary of Other expenses

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Electricity Expenses	42.72	43.38
Rent	18.55	19.24
Rates and Taxes	1.42	0.86
Insurance	8.74	9.43
Repairs and Maintenance		
-Plant and Machinery	17.66	17.02
-Others	18.45	20.47
Travelling and Conveyance Expenses	56.42	63.03
Auditors' Remuneration		
-Statutory Audit Fees	0.60	0.60
-Tax Audit Fees	0.03	0.03
-Other Services	0.00	0.47
Security Expenses	60.41	77.55
Service Tax Paid	21.71	0.00
Exchange Loss (net)	0.00	0.02
Provision for Doubtful Debts	6.45	2.56
Loss on discard of Fixed Assets	9.41	8.85
Donations	0.00	0.11
Miscellaneous Expenses	96.54	107.58
Total	359.09	371.20

ANNEXURE XXVII A Restated Summary of Exceptional Items

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Provision for Doubtful advance to subsidiary	0.00	27.50
Provision for Diminution in Value of Investment	0.00	0.50
Loss on Fire	48.28	—
Less: Reversal of		
Provision for Diminution in value of investment	0.50	—
Provision for doubtful advance of subsidiary	27.50	—
Total	20.28	28.00

ANNEXURE XXVIII A Related party transactions

The management has identified the following related parties for disclosures under AS 18:

- | | |
|--|--|
| a. Holding Company | - Future Enterprises Limited. [Formerly known as Pantaloon Retail (India) Limited] |
| b. Subsidiary Company | - FSC Brand Distribution Services Limited |
| c. Fellow Subsidiaries | - Future E-Commerce Infrastructure Limited.
- Staples Future Office Products Private Limited

- Future Value Retail Limited (up to 10th February 14)
- Future Lifestyle Fashions Limited. (up to 24th June 13)
- Futurebaazar India Limited
- Future Fresh Foods Limited
- Future Media (India) Limited |
| d. Key Management Personnel | - Anshuman Singh (Managing Director and CEO) |
| e. Enterprise having significant influence over the reporting entity | - SKC 1 Limited |

During the year, following transactions were carried out with the related parties in the ordinary course of business:

(₹ in million)

Nature of Transactions	Holding Company		Fellow Subsidiaries		Subsidiary Company		Key Management Personnel	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Purchase of Fixed Assets	50.43	9.36	—	0.10	—	—	—	—
Future Enterprises Limited	50.43	9.36	—	—	—	—	—	—
Future Value Retail Limited	—	—	—	0.10	—	—	—	—
Income from operation	480.32	1,004.95	1,043.69	1,346.10	—	5.20	—	—
Future Enterprises Limited	480.32	1,004.95	—	—	—	—	—	—
Future Value Retail Limited	—	—	1,005.68#	1,337.49^	—	—	—	—
Future E-Commerce Infrastructure Limited	—	—	1.08	6.85	—	—	—	—
Future Fresh Foods Limited	—	—	—	1.75	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	—	5.20	—	—
Future Lifestyle Fashions Limited	—	—	36.93	—	—	—	—	—
Reimbursement of Expenses	4.19	3.22	3.36	7.69	0.08	0.34	—	—
Future Enterprises Limited	4.19	3.22	—	—	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	0.08	0.34	—	—
Future Value Retail Limited	—	—	3.36	6.65	—	—	—	—
Future E-Commerce Infrastructure Limited	—	—	—	0.49	—	—	—	—
Future Fresh Foods Limited	—	—	—	0.55	—	—	—	—
Rent paid	0.70	—	0.77	2.30	—	—	—	—
Future Enterprises Limited	0.70	—	—	—	—	—	—	—
Future Value Retail Limited	—	—	0.77	2.30	—	—	—	—
Expenses	0.28	2.51	0.30	—	—	—	—	—
Future Enterprises Limited	0.28	2.51	—	—	—	—	—	—
Work Store Limited	—	—	0.30	—	—	—	—	—

Nature of Transactions	(₹ in million)						
	Holding Company		Fellow Subsidiaries		Subsidiary Company		Key Management Personnel
Remuneration	—	—	—	—	—	17.81	15.74
Anshuman Singh	—	—	—	—	—	17.81	15.74
Advances given	—	—	—	—	3.00	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	3.00	—	—
As on March 31,							
Receivable	608.93	633.84	17.29	502.80	43.03	39.95	—
Future Enterprises Limited	608.93	633.84	—	—	—	—	—
FSC-Brand Distribution Services Limited	—	—	—	—	43.03	39.95	—
Future E-Commerce Infrastructure Limited	—	—	17.29	16.18	—	—	—
Future Fresh Foods Limited	—	—	—	15.29	—	—	—
Future Value Retail Limited	—	—	—	471.34	—	—	—

* Provision for doubtful advances: FY2014: NIL million, (FY2013: ₹ 27.50 million)

Includes Income from operations for BB Direct a division of Future Value Retail Limited of ₹8.40 million for FY2014

^ Includes Income from operations for Future Value Retail Limited - Future E-Commerce a division of Future Value Retail Limited of ₹3.58 million for FY2013

Disclosure in respect of material Related Party Transactions during the year:

- a) Purchase of Fixed Asset includes FY2014: ₹ NIL (FY2013: ₹ 0.10 million) from Future Value Retail Limited
- b) Income from operation includes services rendered to Future Value Retail Limited FY2014: ₹ 997.27 million (FY2013: ₹ 1,333.91 million).
- c) Reimbursement of Expense includes Future Value Retail Limited FY2014: ₹ 3.36 million (FY2013: ₹ 6.65 million).
- d) Expenses include Staples Future Office Products Limited FY2014: ₹ 0.30 million (FY2013: NIL)
- e) Rent paid includes Future Value Retail Limited FY2014: ₹ 0.77 million (FY2013: ₹ 2.30 million).

Notes

The shareholders of the Company had passed the special resolution at the extra ordinary general meeting held on 16 April 2013 to waive the recovery of excess remuneration paid to the Managing Director and accordingly, applied to the Central Government in terms of section 309 (5B) of the Companies Act, 1956. The Central Government has, however, rejected the application and directed the Company to recover the remuneration so paid to the Managing Director. However, the Company has represented before the Joint Secretary, Ministry of Corporate Affairs, for reconsideration of the rejection and grant of approval. The said representation is pending for disposal.

The shareholders of the Company had also passed the special resolution at the extra ordinary general meeting held on 16 April 2013 for the re-appointment of the Managing Director and accordingly, filed requisite application with the Central Government in terms of section 269, 309, 311 and other applicable provisions of the Companies Act, 1956. The said application is pending for disposal.

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner
Place: Mumbai
Date: November 14, 2017

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

ANNEXURE XXIX A Adjustment for Restatement of Profit and Loss

(₹ in million)		
Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Net Profit after taxation(as per audited accounts)	42.28	(41.76)
Adjustments	—	—
Net Profit after taxation as Restated	42.28	(41.76)

In terms of our report attached**For and on behalf of the Board of Directors**

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai
Date: November 14, 2017

ANNEXURE XXX A Restated Statement of Accounting Ratios

	(₹ in million)	(unless otherwise stated)
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Earnings Per Share excluding exceptional items (Equity Shares, Par Value of ₹ 10/- each)		
Basic (₹)	1.60	(0.35)
Diluted (₹)	1.60	(0.35)
Return on net worth %	2.10%	(2.12%)
Net asset value per equity share (₹)	51.36	50.28
Number of shares outstanding	3,91,38,283	3,91,38,283
Weighted average number of equity shares outstanding during the year for calculation of Basic Earnings per Share	3,91,38,283	3,91,38,283
Weighted average number of equity shares outstanding during the year for calculation of Diluted Earnings per Share	3,91,38,283	3,91,38,283
Net profit after tax as restated	42.28	(41.76)
Share Capital	391.38	391.38
Other Equity, as restated	1,618.70	1,576.42
Net worth	2,010.08	1,967.80

1. The Ratio on the basis of restated financial information have been computed as per below :

Basic Earnings Per Share (₹)	$\frac{\text{Net profit as restated excluding exceptional items, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
Diluted Earnings Per Share (₹)	$\frac{\text{Net profit as restated excluding exceptional items, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares outstanding during the year}}$
Return on net worth (%)	$\frac{\text{Net profit after tax as restated}}{\text{Net Worth as restated at the end of the year}}$
Net assets Value (NAV) per equity share(₹)	$\frac{\text{Net Worth as restated at the end of the year}}{\text{Number of equity shares outstanding at the end of year}}$

2. Earnings per share' calculations are done in accordance with - Accounting Standard 20 "Earnings Per Share" issued by the Institute of Chartered Accountants

In terms of our report attached

For and on behalf of the Board of Directors

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai
Date: November 14, 2017

ANNEXURE XXXI A Restated Statement of Tax Shelter

(₹ In million)		
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit Before Tax- As Restated (A)	48.54	(24.69)
Notional Tax Rate (B)	32.45%	30.90%
Tax as per Notional rate on Profit (C)	15.75	(7.63)
ADJUSTMENTS		
Tax Impact of Permanent Differences due to:	—	—
Investment income	—	—
Income from sale of property, plant and equipment	3.05	2.89
Brought Forwarded Depreciation	—	—
Expenses disallowed / (allowed)- Provision for Doubtful Debts	2.09	10.35
Total Tax impact on Permanent Difference (D)	5.14	13.24
Tax impact on Temporary Difference due to:		
Difference between book balance and tax balance of property plant and equipment and intangible assets	(20.87)	(27.31)
Disallowances under Section 43 B of the Income Tax Act, 1961	(0.62)	0.60
Others (Provision for incentive scheme for DPs , etc.)		
Total Tax impact of Timing Difference (E)	(21.48)	(26.71)
Net Adjustment F= (D+E)	(16.34)	(13.46)
Adjusted Tax Liability (C+F)	(0.59)	(21.09)
Less:- Relief u/s. 91		
Adjusted Tax Liability	(0.59)	(21.09)
Total Tax as per Return of Income	(0.59)	(21.09)

ANNEXURE XXXII A Statement on Adjustments made for Prior period items, incorrect or change in accounting policies, qualifications

NIL

ANNEXURE XXXIII A Restated Summary of Dividend Paid

(₹ In million)		
Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Number of equity shares outstanding	3,91,38,283	3,91,38,283
Dividend paid (₹ in million)	—	—
Interim dividend (₹ in million)	—	—
Rate of Dividend (%)	—	—
Dividend per Equity Share (₹)	—	—

In terms of our report attached**For and on behalf of the Board of Directors**

For NGS & Co. LLP
Chartered Accountants

C.P. Toshniwal
DIN: 00036303

Mayur Toshniwal
DIN: 01655776

Ashok A. Trivedi
Partner

Vimal Dhruve
Company Secretary

Kailash Sharma
Chief Financial Officer

Place: Mumbai
Date: November 14, 2017

CAPITALISATION STATEMENT

(₹ In million)

Particulars	Pre-Offer for the Six Month Ended September 30, 2017	Adjusted for Post-Offer*
Debt		
- Non-Current Borrowings	276.12	276.12
- Compulsorily Convertible Debentures	520.78	520.78
- Current Maturities of Long Term Borrowings	81.17	81.17
- Short Term Borrowings	—	—
Total Debt	878.08	878.08
Shareholders' funds		
- Share Capital [#]	391.38	391.38
- Other Equity	2,869.16	2,869.16
Total Shareholders' funds	3,260.54	3,260.54
Debt/Equity Ratio	0.27x	0.27x

*The Offer being an offer for sale only, there will be no change in the capitalisation statement adjusted for the Offer.

[#]Since September 30, 2017, the Equity Share capital of our Company increased from ₹ 391.38 million to ₹ 400.56 million pursuant to conversion of the CCDs into Equity Shares.

FINANCIAL INDEBTEDNESS

As on September 30, 2017, the outstanding amounts under the borrowings of our Company were ₹ 357.30 million (excluding CCDs).

Our Company avails loans in the ordinary course of business for the purposes of working capital requirements and purchase or import of raw materials, consumables and spares and capital expenditure including but not limited to the purchase of plant and machinery or other capital goods, amongst other things.

As on September 30, 2017, the aggregate outstanding borrowings of our Company is as follows:

Category of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount (in ₹ million)
Banks		
Fund Based⁽¹⁾		
<i>Term Loans</i>	390.00	357.30
<i>Working Capital Facilities</i>	620.00	0.00
Non Fund Based⁽¹⁾		
<i>Bank Guarantees</i>	50.00	0.00
Total		357.30
CCDs*		520.78

⁽¹⁾ All fund and non-fund based borrowings of our Company are secured. For details relating to security, please refer to point 3 below.

* The CCDs with an aggregate face value of ₹ 550.00 million have been converted into 917,955 Equity Shares pursuant to a resolution of the Board dated November 14, 2017, prior to registration of this Red Herring Prospectus with the RoC in accordance with Regulation 26(5) of the SEBI ICDR Regulations.

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

- Interest:** In terms of the term loans and working capital facilities availed by us, the interest rate typically ranges from 9.25% to 12.00% per annum.
- Tenor:** The tenor of the term loans availed by us is typically 6.5 years and the working capital facilities is typically one year, with an option of renewal every year.
- Security:** In terms of our borrowings where security needs to be created, we are typically required to:
 - Create security by way of equitable mortgage on our Company's fixed assets;
 - Create a first *pari passu* or first charge on both present and future current assets, book debts, stocks and receivables under the financing activity, including all benefits and rights incidental thereto; and
 - Personal guarantees by Rakesh Biyani.
- Repayment:** While certain term loans are repayable on demand, the repayment period for the term loans typically is six years. The lenders are entitled to recalculate the installments schedules if the lender varies the interest rate and/or upon the occurrence of any event which in the opinion of the lender necessitates a recalculation of the same.

Our working capital facilities are repayable in accordance with the terms of the loan arrangements.

- Pre-payment:** Pre-payment of our terms loans and working capital facilities is permitted only with prior approval of the respective lenders and such pre-payment is typically subject to pre-payment penalties at the lender's discretion.

6. Key Covenants:

In terms of our facility agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:

- a) change in the purpose for which the facility was obtained;
- b) change in capital structure of our Company;
- c) effect any scheme of amalgamation or reconstitution;
- d) amendment to the constitutional documents of our Company;
- e) to effect any material change in the management or the business;
- f) change in control of our Company;
- g) modifications or amendments carried out in the constitution and ownership of our Company;
- h) disposing of its assets or compromise with any of its creditors; and
- i) pre-payment of the outstanding principal amounts of the loans in full or in part before the due date.

Further, the facility agreements include the following key covenants and terms:

- a) restriction with respect to further borrowings by our Company;
- b) intimation for change in shareholding pattern of our Company;
- c) maintaining the financial ratios as specified in the respective facility documents;
- d) restriction on withdrawal of any monies brought in by the Promoter or the Directors or relatives of the Promoter or the Directors;
- e) ensuring that the net working capital does not fall below the minimum amounts stipulated by the lenders; and
- f) right of the lender to appoint a nominee director.

7. Events of Default:

In terms of our facility agreements, the following, among others, constitute as events of default:

- a) our Company does not pay on the due date any amount payable;
- b) destruction, depreciation or fall in value of any property available to the lender as security or the title of any property available to the lender as security being unclear, unmarketable or encumbered in the opinion of the lender;
- c) upon happening of any substantial change in the constitution or management or shareholding of our Company;
- d) proceedings of winding up, or the lender being declared or considered to be a sick company, or a relief undertaking or a protected company or a sick industrial company or a protected industrial company or otherwise, under any law, statute, rule or ordinance which would have the effect of suspending or waiving all or any right against our Company or in respect of any contract or agreement concerning the lender;
- e) use of the facility for investments in shares and securities, on-lending to associate companies, investments in inter corporate loans or deposits;

- f) failure to pay any amount or meet with any obligation when due to any person other than the lender or an event of default being constituted in relation to any of our Company's credit, borrowal or any other arrangement with any person or entity other than the lender; and
- g) any person other than the lender accelerating repayment due from our Company to such other person under our Company's credit, borrowal or any other arrangement with that person.

Additionally, our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various loan documentation entered into by our Company for the purpose of availing of loans is not triggered.

8. *Consequences of occurrence of events of default:*

In terms of our facility agreements, the following, among others, are the consequences of occurrence of events of default, our lenders may:

- a) withdraw or cancel the sanctioned facilities;
- b) seek immediate repayment of the all or part of the outstanding amounts under the respective facilities; and
- c) enforce their security interest which includes, among others, taking possession of charged assets and transfer of the secured assets to such other third parties by way of lease, leave and licence, sale or otherwise.

Further, our Company had issued CCDs to GTI pursuant to the GTI SSHA which have been converted to Equity Shares pursuant to a resolution of the Board dated November 14, 2017. For details in relation to the CCDs, please see the section entitled "*Capital Structure*" on page 69 and for details in relation to the GTI SSHA, please see the section entitled "*History and Certain Corporate Matters*" on page 139.

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

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015.

Unless otherwise stated, the financial information in this section has been derived from the Restated Financial Statements included in this Red Herring Prospectus. The restated financial statements for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. For Fiscals 2013 and 2014, our restated financial statements are prepared and presented in accordance with Indian GAAP. As required by applicable law, we transitioned from Indian GAAP to Ind AS and for the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard", with April 1, 2015 as the transition date.

Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. As a result, the restated financial statements prepared under Ind AS for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 may not be comparable to our historical financial statements. For a reconciliation of Indian GAAP to Ind AS, please see Annexure VI to our Restated Financial Statements. Please also see "Risk Factors—Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows" on page 40.

This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "Risk Factors" and "Forward Looking Statements" on pages 17 and 16, respectively of this Red Herring Prospectus.

Overview

We are one of India's largest organised third-party logistics service operators, according to the A&M Report. We offer automated and IT-enabled warehousing, distribution and other logistics solutions to a wide range of customers. Our service offerings, warehousing infrastructure, pan-India distribution network, "hub-and-spoke" transportation model and automated technology systems support our competitive market position. Our customers operate in various sectors across India, including retail, fashion and apparel, automotive and engineering, food and beverage, FMCG, e-commerce, healthcare, electronics and technology, home and furniture and ATMs.

We believe our business model enables us to act as a service provider that can comprehensively cover our customers' supply chain needs. We provide solutions that enable our customers to leverage our distribution network and which, we believe, optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market. We offer our customers services in three key areas:

- **Contract Logistics:** warehousing, distribution and other value-added services;
- **Express Logistics:** point-to-point, less-than truck-load, time-definite transportation services; and
- **Temperature-Controlled Logistics:** cold-chain warehousing, transportation solutions and distribution of perishable products.

Our distribution centres and delivery network form a supply chain system across India. As of September 30, 2017, we run our contract logistics operations through 42 distribution centres across India, covering approximately 3.84 million square feet of warehouse space and also operate 2 distribution centres of our customers, covering approximately 0.37 million square feet of warehouse space. According to the A&M Report, our distribution centre at MIHAN is one of the largest and most highly automated distribution centres in India. Our distribution centre at MIHAN covers approximately 0.37 million square feet of warehousing space, housing a high-speed cross-belt sorter system, which is the first of its kind in India, with a sorting capacity of approximately 2,000 cases per hour. We also utilise a "hub-and-spoke" distribution model comprising 14 hubs and 106 branches across India (including franchisees and 12 of which are co-located on the same premises as our hubs), covering 11,235 pin

codes across 29 states and 5 union territories as of September 30, 2017. Further, during September 2017, we operated approximately 687 containerised vehicles, including 257 GPS-enabled vehicles of which 144 are refrigerated (reefer) trucks that are owned by us. We also operate 9,616 pallets as a part of our temperature-controlled logistics services.

We have adopted technology and processes throughout our offerings, including (i) a warehouse management system to track, process and manage inventory, (ii) a sortation system to allow picking of orders with accuracy, (iii) integration with customers' systems for automated inventory replenishment, (iv) GPS-enabled trucks that provide real-time visibility of shipments and (v) a mobile portal to allow our customers real-time visibility into their supply chain.

We are promoted by Future Enterprises Limited, which is promoted by Kishore Biyani. Other entities promoted by Kishore Biyani include Future Retail Limited, Future Consumer Limited and Future Lifestyle Fashions Limited (collectively, the "**Future Entities**"). While our business was originally established to provide supply chain and logistics solutions for our Promoter and certain of our Group Companies, we have diversified our customer base across various sectors. Our customers except our Promoter and Group Companies accounted for 30.3%, 37.5%, 50.5% and 53.5% of our revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

We have received a number of industry awards in recent years, including the Best 3PL Company of the Year at the Goa State Logistics, Supply Chain and Warehousing Leadership Awards, 2017, the awards for Best 3PL Company of the Year and for Industry Excellence in Supply Chain – FMCG at the 11th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze), ICC Supply Chain & Logistics Excellence Awards 2017 for 3PL Solutions in 2017, the award for Overall Excellence in Logistics & Supply Chain at the CII-SCALE Awards in 2016, the award for Best Cold Chain 3PL Service Provider of the Year at the Cold Chain Strategy Awards in 2017, 3PL Company of the Year in Retail and FMCG at the 10th edition of the Express, Logistics and Supply Chain Leadership Awards (Kamikaze) and the 3PL Award and the Industrial Retail Warehouse Award at the CII-SCALE Awards in 2015. For details regarding other awards received by our Company, please refer to the section entitled "*History and Certain Corporate Matters*" on page 139.

For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our revenue from operations was ₹3,574.15 million, ₹5,611.83 million, ₹5,198.70 million and ₹4,079.63 million, respectively, representing a CAGR of 17.3% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our net profit was ₹333.30 million, ₹457.54 million, ₹294.27 million and ₹246.57 million, respectively, representing a CAGR of 36.2% during the last three Fiscals. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our EBITDA was ₹561.81 million, ₹742.82 million, ₹699.40 million and ₹639.40 million, respectively, representing a CAGR of 7.8% during the last three Fiscals.

Principal Factors Affecting Our Financial Condition and Results of Operations

Our financial condition and results of operations are affected by numerous factors and uncertainties, including as discussed in the section entitled "*Risk Factors*" on page 17. The following is a discussion of certain factors that we believe have had, and will continue to have, a significant effect on our financial condition and results of operations:

Indian Economic Conditions

Our results of operations are dependent on the overall economic conditions in India. Any slowdown in the Indian economy including due to global factors or changes in interest rates, government policies or taxation, social or civil unrest and political, economic or other developments, could adversely affect our business and results of operations. Further our success depends to a significant extent on consumer confidence and spending on products in the sectors that we service as well as the overall performance of our customers, which is influenced by general economic conditions, general levels of consumption, consumer preferences and discretionary income levels. Many factors affect the level of consumption, consumer confidence and spending and our customers' performance, including recession, inflation, deflation, political uncertainty, availability of consumer credit, taxation, and unemployment. Our performance may decline during recessionary periods or in other periods where one or more macro-economic factors, or potential macro-economic factors, negatively affect the level of consumer confidence and consumption or the performance of our customers.

Relationship with Future Entities and Other Group Companies

While we have a diversified customer base, a significant proportion of our revenue is derived from third-party logistics services provided to our Promoter and certain Group Companies. Our revenue attributable to our Promoter and certain Group Companies in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015 was ₹2,490.00 million, ₹3,504.69 million, ₹2,573.90 million and ₹1,895.15 million, respectively, which accounted for 69.7%, 62.5%, 49.5% and 46.5%, respectively, of our revenue from operations for such periods.

Accordingly, any growth or decline in the business or performance of our customers including our Promoter and certain Group Companies, and in particular, the Future Entities, is likely to materially affect our business and results of operations. For instance, our revenue attributable to these customers correspondingly increased following business expansions with the acquisitions of EasyDay by Future Retail Limited in Fiscal 2016 and Nilgiri's Dairy Farm Limited by Future Consumer Limited in Fiscal 2015.

Use of Technology

We use technology, including automated processes throughout our logistics offerings to enable efficient and cost-effective operational management and to service our customers' supply chain needs. We believe that our reliance on automation in our logistics processes will result in higher volumes and increased cost efficiencies. For instance, we expect that the high-speed cross-belt sorter system in our MIHAN distribution centre in Nagpur, which commenced operations in July 2017, will increase the efficiency and capacity of the distribution centre, thereby giving us the ability to handle higher volumes for our customers without the need for setting up additional distribution centres, and thereby increasing our revenues and profitability.

Nevertheless, the implementation of technology can typically entail a significant amount of capital expenditure, including in relation to maintenance when needed, which may have an effect on our cash flow until we are able to realise the benefits of its implementation in terms of increased volumes and cost efficiency. Additionally, technology is susceptible to outages and technical snags, which may disrupt our workflow and affect our revenues.

Operational Costs

Our profitability is significantly affected by our operational costs. To the extent that the costs of our operations increases, this may result in lower profitability. The most significant operational expenses incurred in our business include rental expenses for leased space, power and fuel costs (which principally includes electricity and diesel consumed by our warehousing operations), hire charges for leased equipment, transportation expenses (which principally includes the leasing costs for our leased vehicles and the cost of diesel consumed by the reefer trucks used in our temperature-controlled logistics operations), labour expenses, employee expenses and security expenses.

We continually aim to optimise operational costs, and generally address any increases in operational costs through periodic increases in the rates charged to our customers or by introducing other cost saving changes to our operations. However, increased operational costs may lead to reduced profitability of our business and may adversely affect our business and results of operations.

Competition

According to the A&M Report, the third-party logistics industry is unorganised and highly fragmented in India. The principal competitive factors include service quality, reliability, price and the ability to address varying requirements of different sectors and specific customer needs comprehensively. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand and reputation over the years.

Very few organised service providers in India have a comprehensive pan-India presence. In addition, a number of logistics providers operate only in one line of business (i.e. either contract logistics, express logistics or temperature-controlled logistics). We compete against various logistics service providers in different service areas in different geographic locations across India in addition to regional and unorganised service providers. To the extent that competition increases in any of these areas, we may be required to offer more competitive pricing to our customers in order to maintain market share, which may affect our revenues and profitability.

Regulatory Developments

Our operations are subject to a number of transportation, labour, employment and other laws and regulations. Regulations in the food industry may also affect our operations with respect to our customers in the food sector. These laws and regulations are subject to change based on new legislation and regulatory initiatives, which could affect the economics of the third-party logistics industry by requiring changes in operating practices or influencing the demand for, and the cost of providing, third-party logistics services. Please see the section entitled “*Regulations and Policies*” on page 135 for further information.

Changes to the taxation regime in India may also have a positive or negative effect on us, our customers or our vendors, which may affect our revenues and profitability. For example, according to A&M, the introduction of GST will favour “hub and spoke” distribution models and large distribution centres with automated processes that are based on the efficiency of a particular location for the distribution chain rather than regulatory or tax reasons. If we are able to capitalise on the introduction of GST in India, this may enable us to increase our market share, which in turn may have a positive effect on our revenues and profitability.

Critical Accounting Policies

A summary of the significant accounting policies applied in the preparation of our financial statements is set out in the notes to the financial statements included elsewhere in this Red Herring Prospectus.

Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to us and the revenue can be reliably measured. Revenue from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of service tax (If applicable). For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Leases

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as operating leases and lease rental thereof is charged to the Profit and Loss as per the terms of agreement which is representative of the time pattern of the user’s benefit.

Foreign Currency

Our functional currency is the Indian rupee. Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Nonmonetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Measurement of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

We use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

Employee Benefit

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in net profit in the Statement of Profit and Loss.

Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. We offset current tax assets and current tax liabilities, where we have a legally enforceable right to set off the recognised amounts and where we intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment

Financial Assets

We recognise loss allowances using the expected credit loss ("ECL") model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Results of Operations

The following table sets forth the Restated Summary Statement of Profit and Loss of the Company for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, the components of which are also expressed as a percentage of revenue from operations for such periods.

(₹ in millions)

	Six Months Ended September 30,		Fiscal					
	2017		2017		2016		2015	
							(Proforma)	
Income:								
Revenue from Operations	3,574.15	100.0%	5,611.83	100.0%	5,198.70	100.0%	4,079.63	100.0%
Other Income	77.88	2.2%	158.09	2.8%	86.00	1.7%	27.59	0.7%
Total Income	3,652.03		5,769.92		5,284.70		4,107.22	
Expenses:								
Cost of Logistics Services	2,371.53	66.4%	3,752.80	66.9%	3,387.47	65.2%	2,616.75	64.1%
Employee Benefits Expense	328.20	9.2%	565.47	10.1%	543.77	10.5%	438.58	10.8%
Depreciation and Amortisation Expense	102.03	2.9%	191.40	3.4%	206.87	4.0%	195.15	4.8%
Finance Costs	43.30	1.2%	127.59	2.3%	132.61	2.6%	103.30	2.5%
Other Expenses	312.61	8.7%	550.75	9.8%	568.06	10.9%	384.90	9.4%
Total Expenses	3,157.66	88.3%	5,188.01	92.4%	4,838.78	93.1%	3,738.68	91.6%
Profit before exceptional items and tax	494.37	13.8%	581.92	10.4%	445.93	8.6%	368.54	9.0%
Less: Exceptional Items	—	—	—	—	—	—	2.84	0.1%
Profit before tax	494.37	13.8%	581.92	10.4%	445.93	8.6%	365.70	9.0%
Income Tax Expense:								
Current Tax	154.04	4.3%	135.26	2.4%	128.76	2.5%	68.98	1.7%
Less: MAT Credit Utilisation	—	—	—	—	—	—	22.02	0.5%
Deferred Tax (Assets)/Liabilities	7.03	0.2%	-10.88	-0.2%	22.89	0.4%	72.17	1.8%
Total Income Tax Expense	161.07	4.5%	124.38	2.2%	151.65	2.9%	119.13	2.9%
Profit for the year	333.30	9.3%	457.54	8.2%	294.27	5.7%	246.57	6.0%

Principal Components of Statement of Profit and Loss

Income

Our total income comprises (i) revenue from operations and (ii) other income.

Revenue from Operations

Our revenue from operations comprises (i) revenue from contract logistics services, (ii) revenue from express logistics services, (iii) revenue from temperature-controlled logistics services and (iv) revenue from other operations.

The following table sets out a breakdown of our revenue from operations for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

(₹ in millions)

	Six Months Ended September 30,		Fiscal					
			2017		2016		2015	
							(Proforma)	
Contract Logistics	2,630.83	70.7%	4,069.25	69.8%	3,240.63	60.4%	2,578.14	59.3%
Express Logistics	738.51	19.8%	1,263.00	21.7%	1,405.00	26.2%	1,556.33	35.8%
Temperature-Controlled Logistics	148.53	4.0%	363.82	6.2%	344.41	6.4%	—	—
Other Operations	204.60	5.5%	129.80	2.2%	378.03	7.0%	210.56	4.8%
Subtotal of Logistics Services	3,722.46	100.0%	5,825.87	100.0%	5,368.07	100.0%	4,345.03	100.0%
Intracompany ⁽¹⁾	(148.31)		(214.03)		(169.37)		(265.39)	
Revenue from Operations	3,574.15		5,611.83		5,198.70		4,079.63	

(1) Intracompany refers to adjustments for transactions between key service areas.

Contract Logistics

Our contract logistics services are the largest contributor to our revenue from operations. Revenues from our contract logistics services represented 70.7%, 69.8%, 60.4% and 59.3% of our revenue from operations (without adjustments for intracompany transactions between key service areas) for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Customers are generally charged for our contract logistics services in a number of ways, including (i) on a cost-plus mark-up, (ii) on the basis of a fixed charge for a given capacity, with variable charges if additional capacity is utilised, (iii) on the basis of a fixed rate per piece, carton or case with a minimum guaranteed throughput over a defined period or (iv) on the basis of fixed monthly billing based on an agreed monthly throughput and storage capacity. We also provide services for managing our customers' facilities and generally charge for such services on a cost-plus mark-up. We generally charge our customers for value-added services based on a fixed rate per kit, per label or per barcode, with a minimum guaranteed throughput over a defined period.

Express Logistics

Revenues from our express logistics services represented 19.8%, 21.7%, 26.2% and 35.8% of our revenue from operations (without adjustments for intracompany transactions between key service areas) for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Customers are generally charged for our express logistics services in a number of ways, including (i) on the basis of actual or volumetric weight of goods transported from the location of origin to the ultimate destination, (ii) on a per trip or per kilometre basis, or (iii) for the use of a dedicated vehicle for a specific number of kilometres each month, with additional charges for extra distance.

Temperature-Controlled Logistics

Revenues from our temperature-controlled logistics services represented 4.0%, 6.2% and 6.4% of our revenue from operations (without adjustments for intracompany transactions between key service areas) for the six months ended September 30, 2017 and Fiscals 2017 and 2016, respectively. Given that we only commenced our temperature-controlled operations in Fiscal 2016, we did not generate any revenue from temperature-controlled logistics operations in Fiscal 2015.

Customers are generally charged for temperature-controlled warehousing storage and handling on a per pallet basis, either with or without a minimum guarantee on the number of pallets. We charge our customers for temperature-controlled transportation (i) for primary transportation (typically longer distances, including between states and cities), on a per trip basis based on distance travelled from the point of origin to the destination and (ii) for secondary transportation (typically shorter distances, including intra-city transportation), on a monthly basis either with or without a minimum guaranteed distance travelled.

Revenue from Other Operations

Revenues from other operations represented 5.5%, 2.2%, 7.0% and 4.8% of our revenue from operations (without adjustments for intracompany transactions between key service areas) in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively. Revenue from other operations primarily comprises revenue from our international logistics, which includes freight forwarding services in respect of goods imported into India as well as assistance with customs clearance, and e-commerce logistics services, which includes “last-mile” delivery services for e-commerce customers. Our e-commerce last-mile delivery services were only offered in Fiscal 2016 and have since been discontinued.

Other income

Other income includes (i) interest income, (ii) profit on the sale of fixed assets, (iii) excess provisions/liabilities written back and (iv) miscellaneous income. Interest income is the largest component of other income, representing 40.7%, 91.4%, 94.7% and 87.8% of other income for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Expenses

Our expenses consist of (i) cost of logistics services, (ii) employee benefit expenses, (iii) finance costs, (iv) depreciation and amortisation expenses and (v) other expenses.

Cost of Logistics Services

Our cost of logistics services primarily comprises transportation expenses, warehousing costs, rent expenses and other costs.

The following table sets out a breakdown of our cost of logistics services for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

(₹ in millions)

	Six Months Ended September 30,	Fiscal		
	2017	2017	2016	2015
				(Proforma)
Transportation Expenses	1,274.54	1,984.57	1,809.39	1,480.30
Warehousing Costs	597.20	1,043.69	920.50	572.70
Rent Expenses	320.32	623.86	490.47	402.78
Other Costs	179.47	100.68	167.11	160.98
Total Costs of Logistics Services	2,371.53	3,752.80	3,387.47	2,616.75

Employee Benefit Expenses

Employee benefit expenses consists of salaries and wages, contributions to provident and other funds and staff welfare expenses. Salaries, wages and bonuses are the largest component of our employee benefit expenses. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, employee benefit expenses represented 9.2%, 10.1%, 10.5% and 10.8% of revenue from operations, respectively.

Finance Costs

Finance costs include interest expense and other borrowing costs. Interest expense includes bank guarantee commission, interest paid on term and bank loans, interest on cash credits and interest on tax shortfalls. Other borrowing costs relate to fees charged by banks for various transactions, including those related to the issuance of demand drafts, processing fees and cash management fees.

Depreciation and Amortisation Expense

Depreciation and amortisation expense comprise depreciation of leasehold improvement, plant and equipment, computers, furniture and fittings, office equipment, electrical installations, vehicles and amortisation of computer software and exclusive business rights. We depreciate our property, plant and equipment over their estimated useful lives using the straight-line method.

Other Expenses

Other expenses include expenses related to power and fuel, repairs and maintenance, insurance, rates and taxes, rent, travelling and conveyance, auditors' remuneration, security expenses, allowance for expected credit loss, exchange fluctuation loss, donations and miscellaneous expenses. For the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, other expenses other expenses represented 8.7%, 9.8%, 10.9% and 9.4%, respectively of revenue from operations for each such Fiscal.

The following table sets out a breakdown of our other expenses for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

(₹ in millions)				
	Six Months Ended September 30,	Fiscal		
	2017	2017	2016	2015 (Proforma)
Other Expenses:				
Power and Fuel	55.95	93.22	85.04	51.56
Repairs and Maintenance:				
- Building	5.79	11.50	7.46	7.93
- Machinery	16.57	28.08	40.26	27.75
- Others	20.29	40.91	44.52	10.68
Insurance	6.79	11.11	16.69	7.94
Rates and Taxes	2.61	5.15	2.10	2.65
Rent Including Lease Rentals	14.46	24.74	20.14	16.85
Travelling and Conveyance Expenses	42.75	83.78	91.04	68.68
Auditors' Remuneration:				
- Statutory Audit Fees	—	1.30	0.80	0.75
- Tax Audit Fees	—	0.03	0.03	0.03
- Other Services	—	0.20	—	—
Security Expenses	58.38	110.05	104.72	73.79
Allowance for Expected Credit Loss	19.67	5.69	14.38	5.36
Exchange Fluctuation Loss (Net)	0.00	0.04	0.04	—
Donations	0.06	0.14	0.13	0.05
Miscellaneous Expenses	69.29	134.82	140.73	110.88
Total	312.61	550.75	568.06	384.90

Income Tax Expense

Our income tax expense as a percentage of our revenue from operations was 4.5%, 2.2%, 2.9% and 2.9% in the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively. Our provision for tax was calculated at the effective rate of 34.6% for Fiscal 2017.

Non-Ind AS Measures

Our management also reviews certain key metrics that measure the financial performance of our business, including gross profit, gross profit margin and EBITDA. These metrics are included as supplemental disclosure as our management considers that these are useful indicators of our operating performance. These metrics are also often used by companies, investors, analysts and other interested parties in comparing the performance of companies in our industry. However, because these measures are not determined in accordance with Ind AS, such metrics are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, these metrics, as presented in this Red Herring Prospectus, may not be directly comparable to similarly titled measures presented by other companies. Because of these and other limitations, these measures should not be considered in isolation or as a substitute for performance measures calculated in accordance with Ind AS.

Gross Profit

Gross profit is defined as our revenue from operations less our costs of logistics services, as applicable to each key service area. Gross profit margin is defined as gross profit expressed as a percentage of revenue from operations, as applicable to each key service area.

The following table sets forth our gross profit and gross profit margins for the six months ended September 30, 2017 and Fiscal 2017, 2016 and 2015 both in the aggregate and by each key service area.

	Six Months Ended September 30,		Fiscal					
	2017		2017		2016		2015 (Proforma)	
	Gross Profit (₹ in millions)	Margin (in %)	Gross Profit (₹ in millions)	Margin (in %)	Gross Profit (₹ in millions)	Margin (in %)	Gross Profit (₹ in millions)	Margin (in %)
Contract Logistics	997.23	37.9%	1,533.74	37.7%	1,289.05	39.8%	1,010.55	39.2%
Express Logistics	185.02	25.1%	308.93	24.5%	387.42	27.6%	414.15	26.6%
Temperature-Controlled Logistics	4.53	3.0%	(9.70)	(2.7)%	71.22	20.7%	—	—
Other Services	15.84	—	26.07	—	63.54	—	38.18	—
Total	1,202.62	33.6%	1,859.04	33.1%	1,811.23	34.8%	1,462.88	35.9%

EBITDA

EBITDA is defined as our earnings before finance income and cost, income taxes, and depreciation and amortisation. The following table reconciles our profit before tax (an Ind AS financial measure) to EBITDA.

(₹ in millions)

	Six Months Ended September 30,	Fiscal		
	2017	2017	2016	2015 (Proforma)
Profit before exceptional items and tax	494.37	581.92	445.93	368.54
Add: Finance Costs	43.30	127.59	132.61	103.30
Less: Other Income	77.88	158.09	86.00	27.59
Add: Depreciation and Amortisation	102.03	191.40	206.87	195.15
EBITDA	561.81	742.82	699.40	639.40

Results of Operations for the Six Months Ended September 30, 2017

Income

Our revenue from operations was ₹3,574.15 million for the six months ended September 30, 2017.

The following table sets out a breakdown of our revenue from operations for the six months ended September 30, 2017:

	(₹ in millions)	
	Six Months Ended September 30,	
	2017	
Contract Logistics	2,630.83	70.7%
Express Logistics	738.51	19.8%
Temperature-Controlled Logistics	148.53	4.0%
Other Operations	204.60	5.5%
Subtotal of Logistics Services	3,722.46	100.0%
Intracompany ⁽¹⁾	(148.31)	
Revenue from Operations	3,574.15	

(1) Intracompany refers to adjustments for transactions between key service areas.

Our other income was ₹77.88 million for the six months ended September 30, 2017, which consisted of interest income of ₹31.67 million, profit on the sale of fixed assets of ₹41.17 million and miscellaneous income of ₹5.04 million.

Expenses

Our total expenses were ₹3,157.66 million for the six months ended September 30, 2017, representing 88.3% of our revenue from operations for the period.

Cost of Logistics Services

Our cost of logistics services was ₹2,371.53 million for the six months ended September 30, 2017, which consisted of:

- Transportation expenses of ₹1,274.54 million, which represented 35.7% of our revenue from operations for the period;
- Warehousing costs of ₹597.20 million, which represented 16.7% of our revenue from operations for the period;
- Rent expenses of ₹320.32 million, which represented 9.0% of our revenue from operations for the period; and
- Other costs of ₹179.47 million, which represented 5.0% of our revenue from operations for the period.

Employee Benefit Expenses

Our employee benefit expenses were ₹328.20 million for the six months ended September 30, 2017, which consisted of salaries, wages and bonuses of ₹300.19 million, contributions to provident and other funds of ₹11.88 million and staff welfare expenses of ₹16.12 million. Our employee benefit expenses represented 9.2% of our revenue from operations for the period.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses were ₹102.03 million for the six months ended September 30, 2017.

Finance Costs

Our finance costs were ₹43.30 million for the six months ended September 30, 2017.

Other Expenses

Our other expenses were ₹312.61 million for the six months ended September 30, 2017, which primarily consisted of expenses relating to security, power and fuel, repair and maintenance and travelling and conveyance, which were ₹58.38 million, ₹55.95 million, ₹42.65 million and ₹42.75 million, respectively for the period. Our other expenses represented 8.7% of our revenue from operations for the six months ended September 30, 2017.

Profit before Tax

As a result of the foregoing components, our profit before tax was ₹494.37 million for the six months ended September 30, 2017.

Income Tax Expense

Our income tax expense was ₹161.07 million for the six months ended September 30, 2017.

Profit for the Period

As a result of the foregoing components, our profit for the period for the six months ended September 30, 2017 was ₹333.30 million.

Results of Operations for Fiscal 2017 Compared to Fiscal 2016

Income

Our revenue from operations increased by 7.9% to ₹5,611.83 million for Fiscal 2017 compared to ₹5,198.70 million for Fiscal 2016. This increase in revenue from operations was primarily due to the following factors:

- an increase in our revenue from contract logistics services by 25.6%, to ₹4,069.25 million for Fiscal 2017 compared to ₹3,240.63 million for Fiscal 2016, which was primarily due to (i) higher throughputs from customers added during Fiscal 2016 and (ii) growth in business from existing customers; and
- an increase in our revenue from temperature-controlled logistics services, by 5.6% to ₹363.82 million for Fiscal 2017 compared to ₹344.41 million for Fiscal 2016, which was primarily due to an increase in the capacity utilisation of our temperature-controlled warehousing business from existing and new customers. Fiscal 2016 was the first year of revenues from our temperature-controlled logistics services.

The above increases were offset by:

- a decline in revenue from our express logistics services, by 10.1%, to ₹1,263.00 million for Fiscal 2017 compared to ₹1,405.00 million for Fiscal 2016, which was primarily due to our focus on optimising our to focus on providing high-margin services. Further, demonetisation also affected our express logistics operations during this period; and
- a decline in revenue from other operations, by 65.7%, to ₹129.80 million for Fiscal 2017 compared to ₹378.03 million for Fiscal 2016, which was primarily due to the discontinuation of our e-commerce last-mile delivery business.

Our other income increased by 83.8% to ₹158.09 million for Fiscal 2017 compared to ₹86.00 million for Fiscal 2016. The increase in other income was primarily due to an increase in interest income, by 77.3% to ₹144.44

million for Fiscal 2017 compared to ₹81.46 million for Fiscal 2016, as a result of interest earned on an intercorporate deposit.

Expenses

Our total expenses increased by 7.2% to ₹5,188.01 million for Fiscal 2017 compared to ₹4,838.78 million for Fiscal 2016. This increase was primarily due to an increase in the cost of logistics services.

Cost of Logistics Services

Our cost of logistics services increased by 10.8% to ₹3,752.80 million for Fiscal 2017 compared to ₹3,387.47 million for Fiscal 2016. This increase was primarily due to:

- an increase in transportation expenses by 9.7%, to ₹1,984.57 million for Fiscal 2017 compared to ₹1,809.39 million for Fiscal 2016, which was primarily due to an increase in our overall operations; transportation expenses as a percentage of revenue from operations was 35.4% for Fiscal 2017 compared to 34.8% for Fiscal 2016;
- an increase in warehousing costs by 13.4%, to ₹1,043.69 million for Fiscal 2017 compared to ₹920.50 million for Fiscal 2016, which was primarily due to increased labour costs, hire charges and charges in connection with the expansion of our temperature-controlled logistics operations; warehousing costs as a percentage of revenue from operations was 18.6% for Fiscal 2017 compared to 17.7% for Fiscal 2016; and
- an increase in rent expenses by 27.2%, to ₹623.86 million for Fiscal 2017 compared to ₹490.47 million for Fiscal 2016, which was primarily due to an increase in storage space during the year; rent expenses as a percentage of revenue from operations was 11.1% for Fiscal 2017 compared to 9.4% for Fiscal 2016.

Employee Benefit Expenses

Our employee benefit expenses increased by 4.0% to ₹565.47 million for Fiscal 2017 compared to ₹543.77 million for Fiscal 2016, principally due to salary increases, despite a marginal decrease in the number of employees during Fiscal 2017 as a result of the discontinuation of our e-commerce last-mile delivery business during this period, which also reduced the cost of sales. However, as a percentage of our revenue from operations, our employee benefit expense decreased from 10.5% in Fiscal 2016 to 10.1% in Fiscal 2017.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses decreased by 7.5% to ₹191.40 million for Fiscal 2017 compared to ₹206.87 million for Fiscal 2016. This decrease was primarily due to the sale of certain warehouse infrastructure assets, which were no longer being utilised by our business during this period.

Finance Costs

Our finance costs decreased by 3.8% to ₹127.59 million for Fiscal 2017 compared to ₹132.61 million for Fiscal 2016. This decrease was primarily due to the repayment of a term loan during Fiscal 2017, which resulted in a reduction in interest expenses.

Other Expenses

Our other expenses decreased by 3.0% to ₹550.75 million for Fiscal 2017 compared to ₹568.06 million for Fiscal 2016. This decrease was primarily due to a decrease in machinery repair and maintenance expenses by 30.3% to ₹28.08 million for Fiscal 2017 compared to ₹40.26 million for Fiscal 2016, due to the implementation of centralised cost-control measures as well as a one-off maintenance expense on our reefer vehicles which occurred in Fiscal 2016. This decrease was also due to decreases in insurance expenses by 33.4% to ₹11.11 million for Fiscal 2017 compared to ₹16.69 million for Fiscal 2016, due to the negotiation of more favourable terms following price deregulation.

Profit before Tax

As a result of the foregoing factors, our profit before tax increased by 30.5% to ₹581.92 million for Fiscal 2017 compared to ₹445.93 million for Fiscal 2016.

Income Tax Expense

Our income tax expense decreased by 18.0% to ₹124.38 million for Fiscal 2017 compared to ₹151.65 million for Fiscal 2016, despite an increase in our profit during this period. This decrease was primarily due to the adjustment of deferred tax due to unabsorbed depreciation in respect of prior periods.

Profit for the Year

As a result of the foregoing factors, and specifically due to increases in our revenue from operations and other income with corresponding decreases in our expenses as a percentage of our revenue from operations, including our employee benefits expense, depreciation and amortisation expense, finance costs and other expenses, our profit for the year increased by 55.5% to ₹ 457.54 million for Fiscal 2017 compared to ₹ 294.27 million for Fiscal 2016. This increase in profit for the year also resulted in a corresponding increase in other equity on our balance sheet for Fiscal 2017.

Results of Operations for Fiscal 2016 Compared to Fiscal 2015

Income

Our revenue from operations increased by 27.4% to ₹5,198.70 million for Fiscal 2016 compared to ₹4,079.63 million for Fiscal 2015. This increase was primarily due to:

- an increase in our revenue from contract logistics services, by 25.7% to ₹3,240.63 million for Fiscal 2016 compared to ₹2,578.14 million for Fiscal 2015, which was primarily due to (i) the addition of new customers, including Easy Day, the convenience store chain of Future Retail Limited and (ii) growth in business from existing customers, including Future Consumer Limited and Future Lifestyle Fashions Limited
- the commencement of our temperature-controlled logistics services during this period, from which we generated revenue of ₹344.41 million in Fiscal 2016 compared to nil for Fiscal 2015; and
- an increase in our revenue from other operations by 79.5%, to ₹378.03 million for Fiscal 2016 compared to ₹210.56 million for Fiscal 2015, which was primarily due to our brief entry into the e-commerce last-mile delivery business whereby we provided “last-mile” delivery services for e-commerce customers (which business has since been discontinued).

The above increases were offset by a decline in revenue from our express logistics services by 9.7%, to ₹1,405.00 million for Fiscal 2016 compared to ₹1,556.33 million for Fiscal 2015, which was primarily due to optimising our customer base to focus on providing high-margin services.

Our other income increased by 211.7% to ₹86.00 million for Fiscal 2016 compared to ₹27.59 million for Fiscal 2015. The increase in other income was primarily due to an increase in interest income, by 236.3% to ₹81.46 million for Fiscal 2016 compared to ₹24.22 million for Fiscal 2015, as a result of interest earned on an intercorporate deposit.

Expenses

Our total expenses increased by 29.4% to ₹4,838.78 million for Fiscal 2016 compared to ₹3,738.68 million for Fiscal 2015. This increase was primarily due to an increase in the cost of logistics services.

Cost of Logistics Services

Our cost of logistics services increased by 29.5% to ₹3,387.47 million for Fiscal 2016 compared to ₹2,616.75 million for Fiscal 2015. This increase was primarily due to:

- an increase in transportation expenses by 22.2%, to ₹1,809.39 million for Fiscal 2016 compared to ₹1,480.30 million for Fiscal 2015, which was primarily due to an increase in our overall operations, although transportation expenses as a percentage of revenue from operations decreased to 34.8% in Fiscal 2016 from 36.3% in Fiscal 2015 due to our ability to capture economies of scale from our transportation infrastructure;
- an increase in warehousing cost (including hire charges and labour charges) by 60.7%, to ₹920.50 million for Fiscal 2016 compared to ₹572.70 million for Fiscal 2015, which was primarily due to the commencement of our temperature-controlled logistics services and our brief entry into the e-commerce last-mile delivery business during Fiscal 2016; warehousing cost as a percentage of revenue from operations was 17.7% for Fiscal 2016 compared to 14.0% for Fiscal 2015; and
- an increase in rent expenses by 21.8%, to ₹490.47 million for Fiscal 2016 compared to ₹402.78 million for Fiscal 2015, which was primarily due to the commencement of our temperature-controlled logistics services and our brief entry into the e-commerce last-mile delivery business; rent expenses as a percentage of revenue from operations was 9.4% for Fiscal 2016 compared to 9.9% for Fiscal 2015.

Employee Benefit Expenses

Our employee benefit expenses increased by 24.0% to ₹543.77 million for Fiscal 2016 compared to ₹438.58 million for Fiscal 2015. This increase was primarily due to an increase in the number of employees as a result of the commencement of our temperature-controlled logistics services and our brief entry into the e-commerce last-mile delivery business during this period, as well as salary increases. However, as a percentage of revenue from operations, employee benefit expenses decreased to 10.5% for Fiscal 2016 from 10.7% for Fiscal 2015.

Depreciation and Amortisation Expenses

Our depreciation and amortisation expenses increased by 6.0% to ₹206.87 million for Fiscal 2016 compared to ₹195.15 million for Fiscal 2015. This increase was primarily due to increased capital expenditure on infrastructure during this period.

Finance Costs

Our finance costs increased by 28.4% to ₹132.61 million for Fiscal 2016 compared to ₹103.30 million for Fiscal 2015. This increase was primarily due to an increase in interest expenses due to higher short-term borrowings during this period.

Other Expenses

Our other expenses increased by 47.6% to ₹568.06 million for Fiscal 2016 compared to ₹384.90 million for Fiscal 2015. This increase was primarily due to significant expenses incurred in relation to the commencement of our temperature-controlled logistics services and our brief entry into the e-commerce last-mile delivery business during this period, which resulted in increases in the following primary components of other expenses: power and fuel, repairs and maintenance, insurance, security expenses and miscellaneous expenses.

Profit before Tax

As a result of the foregoing factors, our profit before tax increased by 21.9% to ₹445.93 million for Fiscal 2016 compared to ₹365.70 million for Fiscal 2015.

Income Tax Expense

Our income tax expense increased by 27.3% to ₹151.65 million for Fiscal 2016 compared to ₹119.13 million for Fiscal 2015. This increase was primarily due to an increase in our profit before tax during this period and due to additional tax liability during Fiscal 2015 under the Minimum Alternate Tax primarily because of certain unabsorbed depreciation and carried forward losses.

Profit for the Year

As a result of the foregoing factors, and specifically due to increases in our revenue from operations and other income with corresponding decreases in our expenses as a percentage of our revenue from operations, including our transportation expenses, rent expenses, employee benefits expense and depreciation and amortisation expense, our profit for the year increased by 19.3% to ₹ 294.27 million for Fiscal 2016 compared to ₹ 246.57 million for Fiscal 2015. This increase in profit for the year also resulted in a corresponding increase in other equity on our balance sheet for Fiscal 2016.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital requirements for our operations and for capital expenditures. We have met these requirements through cash flows from operations as well as through borrowings. As at September 30, 2017, we had ₹641.56 million in cash and bank balances and ₹276.12 million in non-current borrowings, including current maturities. We believe that our current cash and cash equivalents and cash flow from operations will be sufficient to meet our anticipated regular working capital requirements and our needs for capital expenditures, for the next 12 months. We may, however, require additional cash resources due to changing business conditions or other future developments, including any investments or acquisitions that we may decide to pursue.

Cash Flows

The table below summarises the statement of cash flows, as per our restated cash flow statements, for the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015.

(₹ in millions)

	Six Months Ended September 30,	Fiscal		
	2017	2017	2016	2015 (Proforma)
Net cash generated from / (used in) operating activities	404.60	925.97	(154.10)	440.03
Net cash generated used in investing activities	(222.07)	(638.97)	(25.33)	(175.38)
Net cash generated from / (used in) financing activities	(11.14)	164.98	173.43	(266.69)
Net increase / (decrease) in cash and cash equivalents	171.39	451.98	(6.01)	(2.04)

Operating Activities

Net cash generated from operating activities for the six months ended September 30, 2017 was ₹404.60 million, while profit before tax was ₹494.37 million. The difference was primarily attributable to taxes paid amounting to ₹153.59 million.

Net cash generated from operating activities for Fiscal 2017 was ₹925.97 million, while profit before tax was ₹581.92 million. The difference was primarily attributable to an increase in loans and advances of ₹742.92 million due to the return of an intercorporate deposit during this period.

Net cash used in operating activities for Fiscal 2016 was ₹154.10 million, while profit before tax was ₹445.93 million. The difference was primarily attributable to an increase in trade receivables of ₹406.45 million due to an increase in our overall operations, and an increase in loans and advances of ₹677.49 million due to us making an intercorporate deposit during this period.

Net cash generated from operating activities for Fiscal 2015 was ₹440.03 million, while profit before tax was ₹365.70 million. The difference was primarily attributable to an increase in trade receivables of ₹388.77 million during this period.

Investing Activities

Net cash used in investing activities for the six months ended September 30, 2017 was ₹222.07 million, primarily representing capital expenditure of ₹253.74 million during this period, mostly due to investments in plant and machinery for our warehouses, which was offset by the sale of owned real property amounting to ₹100.00 million during this period.

Net cash used in investing activities for Fiscal 2017 was ₹638.97 million, primarily representing capital expenditure of ₹788.18 million during this period, primarily on our high-speed cross-belt sorter at our MIHAN distribution centre, which was offset by interest income of ₹144.44 million during this period, primarily earned on an intercorporate deposit.

Net cash used in investing activities for Fiscal 2016 was ₹25.33 million, primarily representing general capital expenditure of ₹377.72 million during this period, primarily due to the addition of four new distribution centres, which was offset by the sale of equipment (primarily warehouse infrastructure no longer being used in our business) of ₹270.93 million during this period, and interest income of ₹81.46 million during this period, primarily earned on an intercorporate deposit.

Net cash used in investing activities for Fiscal 2015 was ₹175.38 million, primarily representing capital expenditure of ₹197.11 million largely attributable to capital expenditures for leasehold improvements and plant and machinery in connection with the addition of warehouse space during this period, which was offset by interest income of ₹24.22 million during this period.

Financing Activities

Net cash used in financing activities for the six months ended September 30, 2017 was ₹11.14 million, primarily due to interest payments of ₹43.30 million, which were offset by the proceeds from a long term loan of ₹32.16 million during this period.

Net cash generated from financing activities for Fiscal 2017 was ₹164.98 million, primarily due to receipt of proceeds from a long term loan of ₹292.57 million, which was offset by interest payments of ₹127.59 million during this period.

Net cash generated from financing activities for Fiscal 2016 was ₹173.43 million, primarily due to receipt of proceeds from a long term loan of ₹306.04 million, which was offset by interest payments of ₹132.61 million during this period.

Net cash used in financing activities for Fiscal 2015 was ₹266.69 million, primarily due to the repayment of a long term loan of ₹110.16 million, as well as interest payments of ₹103.30 million during this period.

Indebtedness

As of September 30, 2017, we had total long-term borrowings of ₹878.08 million, which consisted of (i) non-current long-term borrowings of ₹276.12 million and (ii) current long-term borrowings amounting to ₹601.95 million, including ₹81.17 million of secured rupee term loans and unsecured zero coupon fully-convertible debentures amounting to ₹520.78 million. All of the outstanding unsecured zero coupon fully-convertible debentures have since been converted into 917,955 Equity Shares. As of September 30, 2017, we had no outstanding short-term borrowings. The following table sets forth certain information relating to our outstanding indebtedness as of September 30, 2017:

	As of September 30, 2017		
	Payment Due By Period		
	Total	Less than 1 year	More than 1 year
Long Term Borrowings:			
Total Secured	357.30	81.17	276.12
Total Unsecured	520.78	520.78	0.00
<i>Compulsory Convertible Debentures</i>	520.78	520.78	0.00
Total	878.08	601.95	276.12

(₹ in millions)

Some of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Please see the section entitled “*Financial Indebtedness*” on page 286 for further information.

Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of September 30, 2017, aggregated by type of contractual obligation:

(₹ in millions)

	As of September 30, 2017			
	Payment Due By Period			
	Total	Less than 1 year	1-5 years	More than 5 years
Operating lease obligations	1,111.51	230.65	668.03	212.82
Contractual obligations	32.63	30.28	2.35	—

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities not provided for as of September 30, 2017:

(₹ in millions)

Particulars	Amount
Bank guarantees	1.40

Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investment in warehouse infrastructure for our distribution centres and expenditure towards reefer trucks used in our temperature-controlled logistics operations. In the six months ended September 30, 2017 and Fiscals 2017, 2016 and 2015, our capital expenditure was ₹253.74 million, ₹788.18 million, ₹377.72 million and ₹197.11 million, respectively. The increase in our capital expenditure in Fiscal 2017 is principally related to expenditure towards our cross-belt sorter at our MIHAN distribution centre in Nagpur, which commenced operations in July 2017, and which also resulted in an increase in our capital work in progress from ₹ 18.26 million in Fiscal 2016 to ₹698.11 million in Fiscal 2017. The increase in our capital expenditure in Fiscal 2016 principally related to our addition of four new distribution centres during this period.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. Please see the section entitled “*Related Party Transactions*” on page 181.

Quantitative and Qualitative Disclosures about Market Risk

Commodity Risk

Our primary commodity risk involves fluctuations in electricity and fuel prices, which can affect our profitability. Electricity and fuel prices fluctuate significantly due to economic, political, and other factors beyond our control. While we attempt to pass along some or all of these costs to our customers through increased rates, there can be no assurance that we will be able to offset or otherwise address future increases in the price of fuel through such means. Market pressures may limit our ability to pass along such costs to our customers.

Interest Rate Risk

Interest rates for borrowings have been volatile in India in recent periods. All of our current debt facilities carry interest at variable rates. Therefore based on changes in the base rate of the respective lenders, which are subject to renegotiation at periodic intervals, movements in domestic interest rates constitutes the main source of interest rate risk. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely affect our results of operations, planned capital expenditures and cash flows.

Credit Risk

We are exposed to credit risk on amounts owed to us by our customers. If our customers do not pay us promptly, or at all, it may affect our working capital cycle and/or we may have to make provision for or write-off on such amounts.

Inflation

Based on our analysis of the periods presented, we believe inflationary increases in fuel and employee costs, including periodic increases in salary levels, have had an effect on our financial and operating results.

Significant Economic Changes

Other than as described above under the heading entitled “*Principal Factors Affecting Our Financial Condition and Results of Operations*”, to the knowledge of the management of our Company, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading entitled “*Principal Factors Affecting Our Financial Condition and Results of Operations*” and the uncertainties described in the section entitled “*Risk Factors*” on page 17 of this Red Herring Prospectus. To our knowledge, except as described or anticipated in this Red Herring Prospectus, there are no known factors which we expect will have a material adverse effect on our revenues or income from continuing operations.

Future Relationship between Cost and Income

Other than as described elsewhere in this Red Herring Prospectus, particularly in this section, to the knowledge of the management of our Company, there are no known factors that might affect the future relationship between costs and revenues.

Seasonality of Business

Some of our customers’ businesses are subject to seasonality, which in turn, affects our business. For instance, our customers in the fashion and lifestyle industry experience higher demands during festival season in India, and our operations from such customers increase accordingly during such periods. As a result of such trends, we may experience some fluctuation in our quarterly revenues and profits.

Significant Developments after September 30, 2017 that may affect our Future Results of Operations

Except as stated in this Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of our restated financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect the operations or profitability of our Company, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Except as stated in this Red Herring Prospectus, there is no development subsequent to September 30, 2017 that we believe is expected to have a material effect on the reserves, profits, earnings per share and book value of our Company.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct and indirect taxes, and (iv) material litigation, in each case involving our Company, our Promoter, our Group Companies or our Directors.

In relation to (iv) above, our Board in its meetings held on June 27, 2017 and August 5, 2017, has considered and adopted a policy of materiality for identification of material litigation. In terms of the materiality policy adopted by our Board, all litigation:

- (a). involving our Company, which individually is equivalent to one per cent or exceed one per cent of the revenue of our Company for Fiscal 2017 have been considered as material. The revenue of our Company for Fiscal 2017 is ₹ 5,611.83 million and accordingly, all litigation involving our Company in which the amount involved exceeds ₹ 56.12 million have been considered as material.*
- (b). involving our Promoter, which individually is equivalent to 10% or exceed 10% of the revenue of our Promoter for Fiscal 2017 have been considered as material. The materiality policy for identification of material litigation involving our Promoter has been determined based on the policy for determination of materiality of events, formulated by our Promoter, in accordance with Regulation 30 of the SEBI Listing Regulations. The consolidated revenue of our Promoter for Fiscal 2017 is ₹ 44,854.50 million and accordingly, all litigation in which the amount involved exceeds ₹ 4,485.45 million have been considered as material.*
- (c). involving Apollo Design Apparel Parks Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Apollo Design Apparel Parks Limited for Fiscal 2017 have been considered as material. The revenue of Apollo Design Apparel Parks Limited for Fiscal 2017 is ₹ 3,097.05 million and accordingly, all litigation in which the amount involved exceeds ₹ 30.97 million have been considered as material.*
- (d). involving Galaxy Entertainment Corporation Limited, one of our listed Group Companies, which individually is equivalent to 10% or exceed 10% of the revenue of Galaxy Entertainment Corporation Limited for Fiscal 2017 have been considered as material. The materiality policy for identification of material litigation involving Galaxy Entertainment Corporation Limited has been determined based on the policy for determination of materiality of events, formulated by Galaxy Entertainment Corporation Limited, in accordance with Regulation 30 of the SEBI Listing Regulations. The consolidated revenue of Galaxy Entertainment Corporation Limited for Fiscal 2017 is ₹ 417.48 million and accordingly, all litigation in which the amount involved exceeds ₹ 41.74 million have been considered as material.*
- (e). involving Goldmohur Design and Apparel Park Limited, one of our unlisted Group Companies, which individually is equivalent to 10% or exceed 10% of the revenue of Goldmohur Design and Apparel Park Limited for Fiscal 2017 have been considered as material. The revenue of Goldmohur Design and Apparel Park Limited for Fiscal 2017 is ₹ 987.45 million and accordingly, all litigation in which the amount involved exceeds ₹ 98.75 million have been considered as material.*
- (f). involving Future Consumer Limited, one of our listed Group Companies, which individually is equivalent to 10% or exceed 10% of the revenue of Future Consumer Limited for Fiscal 2017 have been considered as material. The materiality policy for identification of material litigation involving Future Consumer Limited has been determined based on the policy for determination of materiality of events, formulated by Future Consumer Limited, in accordance with Regulation 30 of the SEBI Listing Regulations. The consolidated revenue of Future Consumer Limited for Fiscal 2017 is ₹ 21,158.41 million and accordingly, all litigation in which the amount involved exceeds ₹ 2,115.84 million have been considered as material.*
- (g). involving Future E-Commerce Infrastructure Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Future E-Commerce Infrastructure Limited for Fiscal 2017 have been considered as material. The revenue of Future E-Commerce Infrastructure Limited for Fiscal 2017 is ₹ 116.48 million and accordingly, all litigation in which the amount involved exceeds ₹ 1.16 million have been considered as material.*

- (h). *involving Future Generali India Life Insurance Company Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Future Generali India Life Insurance Company Limited for Fiscal 2017 have been considered as material. The revenue of Future Generali India Life Insurance Company Limited for Fiscal 2017 is ₹ 7,398.47 million and accordingly, all litigation in which the amount involved exceeds ₹ 73.98 million have been considered as material.*
- (i). *involving Future Lifestyle Fashions Limited, one of our listed Group Companies, which individually is equivalent to 10% or exceed 10% of the revenue of Future Lifestyle Fashions Limited for Fiscal 2017 have been considered as material. The materiality policy for identification of material litigation involving Future Lifestyle Fashions Limited has been determined based on the policy for determination of materiality of events, formulated by Future Lifestyle Fashions Limited, in accordance with Regulation 30 of the SEBI Listing Regulations. The consolidated revenue of Future Lifestyle Fashions Limited for Fiscal 2017 is ₹ 38,770.74 million and accordingly, all litigation in which the amount involved exceeds ₹ 3,877.07 million have been considered as material.*
- (j). *involving Future Media (India) Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Future Media (India) Limited for Fiscal 2017 have been considered as material. The revenue of Future Media (India) Limited for Fiscal 2017 is ₹ 241.98 million and accordingly, all litigation in which the amount involved exceeds ₹ 2.42 million have been considered as material.*
- (k). *involving Future Retail Limited, one of our listed Group Companies, which individually is equivalent to 10% or exceed 10% of the revenue of Future Retail Limited for Fiscal 2017 have been considered as material. The materiality policy for identification of material litigation involving Future Retail Limited has been determined based on the policy for determination of materiality of events, formulated by Future Retail Limited, in accordance with Regulation 30 of the SEBI Listing Regulations. The revenue of Future Retail Limited for Fiscal 2017 is ₹ 170,750.93 million and accordingly, all litigation in which the amount involved exceeds ₹ 17,075.09 million have been considered as material.*
- (l). *involving Futurebazaar India Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Futurebazaar India Limited for Fiscal 2017 have been considered as material. The revenue of Futurebazaar India Limited for Fiscal 2017 is ₹ 117.86 million and accordingly, all litigation in which the amount involved exceeds ₹ 1.18 million have been considered as material.*
- (m). *involving LeanBox Logistics Solutions Private Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of LeanBox Logistics Solutions Private Limited for Fiscal 2017 have been considered as material. The revenue of LeanBox Logistics Solutions Private Limited for Fiscal 2017 is ₹ 2.48 million and accordingly, all litigation in which the amount involved exceeds ₹ 0.02 million have been considered as material.*
- (n). *involving Work Store Limited, one of our unlisted Group Companies, which individually is equivalent to one per cent or exceed one per cent of the revenue of Work Store Limited for Fiscal 2017 have been considered as material. The revenue of Work Store Limited for Fiscal 2017 is ₹ 888.64 million and accordingly, all litigation in which the amount involved exceeds ₹ 8.89 million have been considered as material.*
- (o). *involving our Directors if associated with entities as disclosed from (a) to (l) above, shall have the same materiality threshold applicable to each entity. For any other litigation involving our Directors which are not in relation to our Company, our Promoter and our Group Companies, all litigation has been considered as material.*
- (p). *any legal proceeding involving our Company, Promoters, Group Companies or Directors or any other person, where the monetary liability is not quantifiable, but where the outcome of such legal proceedings could have a material adverse effect on the position of our Company, would be considered material.*

In relation to criminal proceedings, taxation matters and actions by statutory or regulatory authorities, no materiality threshold has been applied.

In relation to material outstanding dues to creditors, our Board in its meeting held on November 14, 2017 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of the materiality policy, any outstanding dues (trade payables) which exceed one per cent of the total dues (trade payables) owed by our Company as at September 30, 2017 based on the latest restated financials of our Company shall be considered as material. For the six month period ended September 30, 2017, our total trade payables was ₹ 1,062.84 million and accordingly, any outstanding dues exceeding ₹ 10.63 million have been considered as material outstanding dues for the purposes of disclosure in this Red Herring Prospectus.

I. Litigation involving our Company

Litigation filed against our Company

Criminal cases

1. Hare Ram Singh, proprietor of Maharaja Carrier Private Limited, (the “**Complainant**”) has filed a case against our Company before the court of the Chief Judicial Magistrate, Howrah, for non-release of the payment due to the Complainant. Subsequently, our Company has released the payment due to the Complainant, and an application has been made by the Complainant to withdraw the matter. This matter is currently pending for dismissal.
2. Two criminal cases have been filed by Food Safety Officers, against our Company and others, before the Adjudicating Officer and Joint Commissioner (Food), Mumbai, for alleged violation of the provisions of the Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011 and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, in relation to nonconformity of the standards laid down under the aforementioned rules. These matters are currently pending.

Civil cases

Civil cases involving our Company relate to filing of recovery suits, demands for rate revision in relation to work orders and alleged unfair termination of employment. These matters are pending at various stages of adjudication. There are no civil cases against our Company, above the materiality threshold for our Company.

Taxation matters

There is no pending litigation, in relation to taxation matters, involving our Company.

Regulatory actions in the last five years against our Company

There have been no regulatory actions taken against our Company in the last five Fiscals.

Notices

Our Company has received notices from various third parties in relation to (i) alleged non-payment of outstanding amounts; (ii) alleged non-payment of commission; (iii) removal of goods stored in warehousing facilities availed of by our Company; and (iv) payment of compensatory amount for alleged harassment. The aggregate amount involved in these matters is ₹ 1.03 million. These notices are currently pending at various stages.

Other matters

There are no other matters involving any other person, against our Company, whose outcome could have a material adverse effect on our Company.

Inquiries, inspections or investigations under the Companies Act

There has not been any inquiry, inspection or investigation conducted against our Company under Companies Act.

Litigation filed by our Company

Criminal cases

There have been no criminal cases initiated by our Company.

Civil cases

There have been no civil cases initiated by our Company.

Notices

1. Upon rejection of our application to the Central Government justifying the appointment of Anshuman Singh, directions issued to the Company to recover the remuneration in excess of the maximum permissible limit without prior approval of the Central Government and advise to receive a refund from Anshuman Singh of the excess remuneration amounting to ₹ 98,587,499 paid by the Company, our Company issued a notice to Anshuman Singh, former managing director of our Company dated September 25, 2017 in relation to recovery of the remuneration paid to Anshuman Singh as managing director of the Company from June 1, 2008 to May 31, 2016, which amount was in excess of the maximum permissible amount of remuneration without the approval of the Central Government. The notice is currently pending.
2. Our Company has issued notices to various third parties in relation to, amongst others, non-payment of outstanding amounts. The aggregate amount involved in these matters is ₹ 18.02 million. These notices are currently pending at various stages.

Material Frauds against our Company

There are no material frauds committed against our Company, in the last five Fiscals.

Outstanding dues to creditors

Our Company had net outstanding dues to creditors amounting to ₹ 1,062.84 million as on September 30, 2017. Our Board considers net outstanding dues exceeding ₹ 10.63 million to small scale undertakings and other creditors as material dues for our Company.

Our Company did not owe any small scale undertakings any amounts exceeding ₹ 10.63 million as of September 30, 2017.

Our Company had 12 creditors with outstanding dues exceeding one per cent of the total dues (trade payables) owed by our Company as at September 30, 2017, aggregating to ₹ 208.40 million as of September 30, 2017, in its ordinary course of business. There are no pending disputes between our Company and such creditors in relation to payments to be made to them.

The details pertaining to amounts due towards such other creditors as of September 30, 2017 are available on the website of our Company at the following link: <http://www.futuresupplychains.com/>. The details in relation to other creditors and amount payable to each creditor available on the website of our Company do not form a part of this Red Herring Prospectus.

Statutory Dues

As of the date of this Red Herring Prospectus, there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) overdue to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company. For further details in relation to dues owed by our Company, please see the section entitled “*Financial Statements*” on page 182.

II. Litigation involving our Promoter

Litigation filed against our Promoter

Criminal cases

1. 58 criminal cases have been filed by the local health authorities in various cities and Food Inspectors and Food Safety Officers, against our Promoter, before various judicial authorities, for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955, the Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011 and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, relating to misbranding, improper labelling and packaging of food products, high content of chemicals in food products beyond permissible limits and food products containing insects. These matters are pending at various stages of adjudication.
2. Six criminal cases have been filed by inspectors of legal metrology, against our Promoter, before various judicial authorities, for alleged violation of the provisions of the Legal Metrology Act, 2009 in relation to improper pricing of various products, deficiency in label declaration and misbranding. These matters are pending at various stages of adjudication.
3. D. M. Chitnis, labour inspector, has filed a criminal complaint against our Promoter and others, before the Judicial Magistrate's court, Ahmedabad, under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 ("CLRAA") for alleged failure to comply with notice from Labour Officer, A.M. Modi, and non-compliance with registration requirements under the provisions of the CLRAA and failure to file relevant forms in the calendar year 2011. This matter is currently pending.
4. S.P. Singh, Regional Officer, Rajasthan State Pollution Control Board has filed a criminal case before the Chief Judicial Magistrate, Jaipur, against our Promoter, Big Bazaar and another, for alleged violation of the provisions of the Environment Protection Act, 1986, in relation to the use of plastic bags, despite such use being prohibited. This matter is currently pending.
5. Lakshman, a former employee of our Promoter has filed a criminal case before the Senior Labour Inspector, against our Promoter for alleged illegal termination of employment and for reinstatement to work along with payment of pending wages. This matter is currently pending.

Civil cases

There are no civil cases against our Promoter, above the materiality threshold for our Promoter.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	6	Nil	Disallowance of credit charges, disallowance of expenditure being allegedly related to circular transactions and disallowance of expenditure incurred in relation to income

There are no indirect tax matters involving our Promoter.

Regulatory Actions in the last five years against our Promoter

1. 15 regulatory actions have been taken against our Promoter, by various stamp duty authorities, including the District Collector of Stamp, the Assistant Collector of Stamp, the Additional District Magistrate (Finance and Revenue) and the Sub-Divisional Magistrate, in relation to alleged deficiencies in payment of stamp duty in relation to various transactions undertaken by our Promoter. These matters are at various stages of adjudication. The aggregate amount involved in the matters is ₹ 97.10 million. These matters are currently pending.

2. SEBI has passed an adjudication order dated October 13, 2011 against our Promoter in relation to alleged failure to redress investor grievances and file reports in relation to such redressals (the “**Adjudication Order**”). Subsequently, our Promoter filed an appeal with the Securities Appellate Tribunal (the “**SAT**”) against the Adjudication Order (the “**SAT Appeal**”). In accordance with the SEBI Circular dated April 20, 2007, our Promoter has filed an application dated March 12, 2012, for a consent order to be passed by SEBI (the “**Consent Application**”). Pursuant to the Consent Application, and the communication received from SEBI dated September 3, 2012, based on the recommendations of the High Powered Advisory Committee (the “**SEBI Communication**”), our Promoter settled the proceedings by payment of ₹ 0.65 million in respect of settlement charges and ₹ 0.10 million towards legal expenses. The SAT, by its order dated September 10, 2012 read with its supplementary order dated November 9, 2012, permitted our Promoter to withdraw the SAT Appeal as our Promoter had complied with the SEBI Communication and settled the matter. Subsequently SEBI passed a consent order in this matter dated December 5, 2012.
3. Our Promoter and some of its directors have received show cause notices from the Registrar of Companies, in relation to (a) inadequate disclosures, (i) in the financial statements of our Promoter about the amounts unpaid to suppliers of our Promoter registered under the Micro, Small and Medium Enterprises Development Act, 2006; (ii) in the terms of issue of bonus shares made by our Promoter; (iii) in the financial statements of our Promoter regarding dividend received from the subsidiaries and joint ventures of our Promoter; and (iv) non-compliance with the applicable accounting standards, as well as the provisions of the Companies Act, 1956, (b) payment of remuneration to statutory auditors without approval of the board of directors of our Promoter, and (c) grant of certain loans and issue of inter-corporate deposits without proper authorisation of the board of directors (collectively, the “**Violations**”). Our Promoter approached the Company Law Board on May 17, 2016 for compounding the Offences and as directed by the Company Law Board, our Promoter has paid an amount of ₹ 1.60 million. In relation to the Violations, the National Company Law Tribunal has imposed a cumulative fee of ₹ 0.32 million on the executive directors and the company secretary of our Promoter.
4. The Collector of Stamps, Preet Vihar, Delhi has issued a notice dated April 28, 2015 against our Promoter, wherein our Promoter has been asked to show cause to explain why a penalty under provision of Section 40 of Indian Stamps Act, 1899 should not be imposed upon our Promoter, along with recovery of alleged deficient amount of ₹55.05 million as stamp duty upon the tripartite agreement dated August 27, 2014, entered into by and between Legitimate Assets Operators Private Limited, Axis Bank Limited and our Promoter. This matter is currently pending.

Other matters

Other matters involving our Promoter are in relation to, amongst others, labour disputes, consumer case matters, alleged restrictive and unfair trade practices and eviction related disputes.

There are no other matters involving any other person, against our Promoter, whose outcome could have a material adverse effect on our Company.

Litigation filed by our Promoter

Criminal cases

1. Our Promoter (the “**Complainant**”) has filed a criminal complaint before the economic offences wing, against Prakash Khanduri, Mithun Sahal, Futermal Jain, Gopal Jain, Praveen, A. P. Mahesh Co-operative Bank Limited and its officials, Sahebrao Deshmukh Co-operative Bank Limited and its officials and Apna Sahakari Bank Limited and its officials (collectively, the “**Respondents**”). Our Promoter has alleged in its complaint, that the Respondents fraudulently issued cheques in the name of our Promoter to its vendors, by making false entries in their systems and creating fake accounts in the name of the vendors with the aforementioned banks in collusion with the officials of A. P. Mahesh Co-operative Bank Limited, Sahebrao Deshmukh Co-operative Bank Limited and Apna Sahakari Bank Limited. Consequently, Mithun Sahal, Futermal Jain and Praveen were arrested by officers of the Economic Offences Wing, and produced before the Metropolitan Magistrate’s Court, Esplanade Court and were released on bail. Prakash Khanduri was arrested, and the bail application made by him before the Metropolitan Magistrate’s Court, Esplanade Court was duly rejected. Subsequently, the appeal made by Prakash Khanduri, before the Sessions Court at Mumbai, against the rejection of bail, which was also rejected. Subsequently, the Bombay High Court granted bail to him and the charge sheet was filed by the

police before Metropolitan Magistrate's Court, Esplanade Court. The proceedings have initiated before the Metropolitan Magistrate's Court, Esplanade Court. This matter is currently pending.

2. Three criminal cases have been filed by our Promoter, under Section 138 of the Negotiable Instruments Act, 1881, in relation to recovery of outstanding amounts, pursuant to dishonour of cheques. These matters are currently pending.
3. Our Promoter has filed a number of FIRs against certain third parties before relevant authorities in connection with theft and assault at various outlets owned by the Promoter. These matters are currently pending at various stages of adjudication.

Civil cases

There are no civil cases filed by our Promoter, above the materiality threshold for our Promoter.

III. Litigation involving our Group Companies

Litigation involving Apollo Design Apparel Parks Limited ("Apollo")

Other than as described below, there is no litigation involving Apollo.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	3	121.88	Alleged charging of excess share premium by Apollo, incorrect amount refunded on tax paid and incorrect amount charged as interest on tax paid

Litigation involving Galaxy Entertainment Corporation Limited ("GECL")

Other than as described below, there is no litigation involving GECL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	3	4.70	Disallowance of expenses, bad debts and foreign exchange loss
2.	Indirect Tax	2	2.08	Disputes regarding demand of sales tax and entertainment tax inclusive of interest and penalty

Litigation involving Goldmohur Design and Apparel Park Limited ("GDAPL")

There are no litigations involving GDAPL above the materiality threshold.

Litigation involving Future Consumer Limited ("FCL")

Criminal cases

1. 12 criminal cases have been filed by or against FCL in relation to the Prevention of Food Adulteration Department, Food Safety Officer, the Food Safety and Standards Authority of India and the Food and Drug Administration Authority, before various judicial authorities, against FCL, for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955, the Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging &

Labelling) Regulations, 2011, relating to misbranding, improper labelling and packaging of food products and food products containing insects. These matters are pending at various stages of adjudication.

2. The Delhi Development Department (Insecticides) has filed a criminal complaint against, FCL and others before the Metropolitan Magistrate, Rohini, Delhi, for alleged violation of the provisions of the Insecticides Act, 1968, in relation to a sample of insect repellent collected from a store operated by FCL at Rohini, Delhi, being substandard and misbranded. This matter is currently pending.
3. Two criminal cases have been filed by or against FCL, under Section 138 of the Negotiable Instruments Act, 1881, in relation to recovery of outstanding amount pursuant to dishonour of cheques. These matters are currently pending.

Civil cases

There are no civil cases involving FCL above the materiality threshold for FCL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	5	157.31	Disallowance of expenses and disallowance of claim for deduction
2.	Indirect Tax	8	68.42	Disallowance of input tax credit, disallowance of reversal of packing material branch transfer, excess payment of value added tax and disallowance of set-off on tax

Notices

1. Three notices have been received by FCL from the Inspector of Legal Metrology of Bhopal and Ferozpur for alleged violation of the provisions of the Legal Metrology Act, 2009 in relation to font size of printed declaration on packets. These matters are currently pending.
2. 10 notices have been received by FCL from various authorities of the Food and Drug Administration Authority for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955, the Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, in relation to misbranding and improper labelling of products, obtaining relevant license and substandard food products. These matters are currently pending.

Other matters

Other matters involving FCL are in relation to labour disputes, recovery of rent, recovery of outstanding payment, recovery of service tax and claim for refund of security deposit.

There are no other matters involving any other person, against FCL, whose outcome could have a material adverse effect on our Company.

Litigation involving Future E-Commerce Infrastructure Limited ("FEIL")

Other than as described below, there is no litigation involving FEIL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Indirect Tax	2	21.49	Disallowance of interstate transfer and alleged incorrect payment of value added tax in terms of the Maharashtra Value Added Tax Act, 2002

There are no direct tax matters involving FEIL.

Litigation involving Future Generali India Life Insurance Company Limited (“FGILICL”)

Criminal cases

1. Partha Sarathy Sarkar (the “**Complainant**”), a former employee, has filed a case against FGILICL before the Judicial Magistrate, First Class, Nagpur, in relation to alleged defamation of the Complainant by FGILICL. FGILICL has filed a revision petition against the defamation case before the Sessions Court, Nagpur. This matter is currently pending.
2. Ashok Kumar Jain (the “**Complainant**”) has filed a PIL against FGILICL before the High Court at Bombay in relation to alleged misappropriation of funds of the policyholders of FGILICL. The Complainant has sought for a direction from the Bombay High Court for initiation of investigation against the FGILICL. This matter is currently pending.
3. Eight cases have been filed by FGILICL against various individuals (the “**Respondents**”), before the Chief Judicial Magistrate, Meerut, in relation to Respondents having fraudulently applied for insurance policies in the name of deceased individuals. These matters are pending at various stages of adjudication.
4. Six cases have been filed by FGILICL against various individuals (the “**Respondents**”), before the Chief Judicial Magistrate, Morena, in relation to Respondents having fraudulently applied for insurance policies in the name of deceased individuals. These matters are pending at various stages of adjudication.

Civil cases

There are no pending civil cases involving FGILICL above the materiality threshold for FGILICL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	6	350.00	Taxability of surplus amounts received by policyholders and disallowance of deduction for loss from pension business
2.	Indirect Tax	8	1,860.00	Demand of service tax under reverse charge mechanism on expenses relating to pre and post licensing cost incurred by FGILICL on behalf of its agents, proportionate reversal of CENVAT availed on input services and on insurance auxiliary services, reversal of CENVAT on activities relating to trading in securities, demand of service tax and interest on delayed payment of premium

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
				and interest on revival of policies, payment of service taxes on charges for nit linked insurance plans and reversal of CENVAT on services rendered in Jammu and Kashmir

Regulatory Actions in the last five years against FGILICL

1. The Insurance and Regulatory Development Authority of India (“**IRDAI**”) had observed certain non-compliances by FGILICL, in relation to certain violations of the Insurance Act, 1938, and other regulations, guidelines and circulars issued by IRDAI, during onsite inspection conducted by IRDAI, for the period between October 4, 2015 and October 16, 2015. The report prepared by IRDAI was sent to FGILICL on August 9, 2016. A reply was filed by FGILICL on September 12, 2016 and further queries were raised by IRDAI in relation to such non-compliances to FGILICL. Subsequently, after investigation, IRDAI issued a show cause notice dated June 22, 2017 to FGILICL setting out the various non-compliances by FGILICL with the provisions of the Insurance Act, 1938, and other regulations, guidelines and circulars issued by IRDAI, which are, (i) improper reporting of outsourcing activities and non-compliance with reporting requirements under the Outsourcing Guidelines, 2011; (ii) improper issuance of unit linked insurance plan policies; (iii) violation of the Insurance and Regulatory Authority of India (Protection of Policyholders’ Interests) Regulations, 2002 and the Corporate Governance Guidelines, 2009 in relation to settlement of claims; and (iv) violation of File and Use Guidelines issued by IRDAI on September 28, 2006. A reply to the show cause notice has been filed by FGILICL on July 13, 2017 and date for personal hearing has been granted on August 23, 2017. This matter is currently pending.
2. The Enforcement Directorate (the “**ED**”) had initiated investigations against FGILICL and others, in relation to the sale of equity shares of FGILICL and Sprint Advisory Services Private Limited (“**SASPL**”). It was alleged in a complaint to the ED that FGILICL had allotted its equity shares at par and SASPL allotted its equity shares at a premium, allegedly without proper justification, to a foreign investor, the funds collected from which were invested in FGILICL. Accordingly, it was alleged that FGILICL was incorrectly compliant with the sectoral cap on foreign direct investment under automatic route, in relation to companies in the insurance sector. Based on investigations conducted by the ED and communications with the RBI, it was determined by the ED that since the FDI Policy Circular of 2016 stipulates the percentage of shareholding in a company in the insurance sector as sectoral cap, and not the amount invested by a foreign entity itself, there was no contravention of the Foreign Exchange Management Act, 1999, the rules and regulations made thereunder or other provisions of applicable law, on the issue of circumventing the guidelines for foreign direct investment in relation to the shares allotted by FGILICL and SASPL. However, it was established that there had been delay of Form FC-GPR filing by FGILICL which was in contravention of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000. Accordingly, by order dated July 21, 2017, the ED imposed a penalty of (i) ₹ 0.20 million on FGILICL for violation in relation to delay in submission of Form FC-GPR; and (ii) ₹ 0.10 million on one of the directors of FGILICL. FGILICL and one of its directors have filed an appeal before the appellate authority against the order passed by the ED.

Other matters

Other matters involving FGILICL are in relation to labour disputes, consumer cases and property related disputes.

There are no other matters involving any other person, against FGILICL, whose outcome could have a material adverse effect on our Company.

Litigation involving Future Lifestyle Fashions Limited (“FLFL”)

Criminal cases

1. The Local Health Authority, Baroda has filed a criminal case before the court of Judicial Magistrate, First Class, Municipal Court, Baroda against Ashok Khurana, Mall Manager, Central Mall (a unit of FLFL) and Hariharan Motilal Agarwal in relation to alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954 and the Prevention of Food Adulteration Rules, 1955 for food adulteration and misbranding of food product. This matter is currently pending.
2. FLFL has filed an FIR with the Adarsh Nagar Police Station, Jaipur, against Candra Mohan Jain, a cashier employed with FLFL under Section 408 of the Indian Penal Code, 1860, in relation to criminal breach of trust and theft, by billing products at a lower price. This matter is currently pending.
3. Two criminal cases have been filed by FLFL, under Section 138 of the Negotiable Instruments Act, 1881, in relation to recovery of outstanding amounts, pursuant to dishonour of cheques. This matter is currently pending.

Civil cases

There are no pending civil cases involving FLFL above the materiality threshold for FLFL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Indirect Tax	3	65.51	Input tax credit mismatch on payment of value added tax, disputes in relation to form filing for payment of value added tax and stock valuation during merger of Indus League Clothing Limited into FLFL

There are no pending direct tax matters involving FLFL.

Regulatory Actions in the last five years against FLFL

1. The Upper Collector, Ghaziabad (the “UC”), issued a notice to FLFL for alleged deficiency in payment of stamp duty in relation to a transaction of property situated at Sector 1, Vaishali, Ghaziabad (the “Premises”), which was replied to by FLFL. The UC passed an order dated November 4, 2008, directing that a notice be sent to the lessor of the Premises in relation to the alleged insufficient payment of stamp duty. Subsequently, the Assistant Collector, Ghaziabad passed an order dated April 24, 2009 (the “AC Order”) directing FLFL to pay ₹25.96 million towards stamp duty and ₹2.60 million towards penalty, totaling ₹28.56 million as well as interest at the rate of 1.5% on the stamp duty from the date of execution of the agreement for Premises, till date of payment of the amount as decreed in the AC Order. FLFL has filed an appeal against the AC Order before the Chief Controlling Revenue Authority, Allahabad (the “CCRA Appeal”) and deposited ₹13.03 million with the Chief Controlling Revenue Authority, Allahabad. The Chief Controlling Revenue Authority, Allahabad has not granted any relief in the form of a stay order and therefore a writ petition has been filed before the Allahabad High Court, pursuant to which the Allahabad High Court, directed the Chief Controlling Revenue Authority, Allahabad to decide on the matter and also directed that no recovery shall be made against FLFL for any amount till the Chief Controlling Revenue Authority, Allahabad passes a decision. This matter is currently pending.

Other matters

Other matters involving FLFL are in relation to, amongst others, alleged unfair dismissal from employment, recovery of pending payment and consumer cases.

There are no other matters involving any other person, against FLFL, whose outcome could have a

material adverse effect on our Company.

Litigation involving Future Media (India) Limited (“FMIL”)

Other than as described below, there is no litigation involving FMIL.

Criminal matters

Three criminal cases have been filed by FMIL, under Section 138 of the Negotiable Instruments Act, 1881, in relation to recovery of outstanding amount pursuant to dishonour of cheques. These matters are currently pending.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	3	Nil	Disallowance of depreciation on marketing rights, disallowance of expenses for increasing share capital and disallowance of loss on sale or write-off of damaged assets

Litigation involving Future Retail Limited (“FRL”)

Criminal cases

1. Mahanubhav Pant has filed a criminal complaint before the Chief Judicial Magistrate, Nagpur, against the Big Bazaar Store, operated by FRL, at Ramdaspet Nagar, for selling and displaying garments with prints of incantations of Mahanubhav Pant. This matter is currently pending.
2. A criminal case has been filed with the Jorhat Police Station, pursuant to filing of an FIR with the Jorhat Police Station, against FRL, Rakesh Biyani and others (the “**Accused**”) under the Indian Penal Code, 1860 and the Essential Commodities Act, 1955, for alleged contravention of provisions of Section 3 of the Essential Commodities Act, 1955 and the provisions of the Assam Trade Articles (Licensing & Control) Order, 1982. The FIR was lodged on the basis of prosecution order passed by Jorhat Deputy Commissioner (the “**Complainant**”) against the Accused, subsequent to seizure of 25 quintals of pulses from the Big Bazaar outlet in Jorhat on September 24, 2016 by the Inspector, Food Civil Supplies and Consumer Affairs Department, Jorhat, Assam, which was subsequently disposed of by sale by Food and Supply Department, and against which a criminal revision petition for quashing of criminal proceedings has been filed before High Court at Guwahati by the Accused. The High Court at Guwahati passed an order on December 23, 2016 suspending the criminal proceedings against the Accused, pursuant to the FIR, till the returnable date, that was fixed on January 31, 2017. This matter is currently pending.
3. FRL has filed a number of FIRs against certain third parties before relevant authorities in connection with alleged sale of expired food, overcharging for products, incorrect advertising of products, fraud, theft, cheating and criminal breach of trust. These matters are currently pending at various stages of adjudication.
4. Three criminal cases have been filed by FRL, under Section 138 of the Negotiable Instruments Act, 1881, in relation to recovery of outstanding amount pursuant to dishonour of cheques. These matters are currently pending.
5. 129 criminal cases have been filed by the Food Safety Officer, and various state authorities, through the Food Safety Officers against FRL, before various judicial forums, for alleged violation of the provisions of the Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, in relation to various matters such as misbranding of food products, high content of chemicals in food products above permissible levels, food products containing insects, misbranding and

improper labelling and packaging. These matters are at various stages of adjudication.

6. FRL has filed a criminal complaint against Amit Arora, person in charge of a store operated by FRL in Kirari, in the District Court, Rohini, Delhi, in relation to shrinkage at the store of an amount of ₹ 0.12 million. This matter is currently pending.

Civil cases

There are no civil cases involving FRL above the materiality threshold for FRL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	11	Nil	Disallowance of due diligence expenditure, disallowance of marketing research expenditure and disallowance of real estate research expenditure
2.	Indirect Tax	52	13.43	Issues in relation to waybills, additional charging of value added tax ("VAT"), disallowance of input on account of non-payment of VAT, taxation on business transfer disallowance of claim for set-off on purchases, disallowance of input tax credit and alleged non submission of required forms.

Other matters

Other matters involving FRL are in relation to, amongst others, labour disputes, consumer matters and disputes involving recovery of rent.

There are no other matters involving any other person, against FRL, whose outcome could have a material adverse effect on our Company.

Litigation involving Futurebazaar India Limited ("FIL")

Other than a consumer complaint filed by Monjulla Sooresb against FIL and others, before the District Consumer Disputes Redressal Forum, Ranchi, in relation to a malfunctioning steam bath and jacuzzi, there is no litigation involving FIL.

Litigation involving LeanBox Logistics Solutions Private Limited ("LeanBox")

There is no litigation involving LeanBox.

Litigation involving Work Store Limited ("WSL")

Other than as described below, there is no litigation involving WSL.

Taxation matters

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
1.	Direct Tax	17	8.77	Disallowance of share issue expenses, disallowance of

Sr. No.	Particulars	Number of matters	Total amount involved (in ₹ million)	Indicative cause of action
				professional fees, disallowance of expense incurred in relation to income
2.	Indirect Tax	18	1.25	Dispute involving incorrect product category in waybill, disallowance of alleged excess input tax credit, non-submission of forms, alleged mismatch and non-submission of form filings

Other matters

Other matters involving WSL include a case for recovery sales amount not paid by customer.

There are no other matters involving any other person, against WSL, whose outcome could have a material adverse effect on our Company.

IV. Litigation involving our Directors

Litigation involving Rakesh Biyani

Other than as described below, there is no litigation involving Rakesh Biyani.

Criminal cases

1. 10 criminal cases have been filed by the local health authorities, Food Safety Officer and various state authorities, through the Food Safety Officers against Rakesh Biyani, before various judicial authorities, for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955, Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, relating to misbranding, improper labelling and packaging of food products, high content of chemicals in food products beyond permissible limits and food products containing insects. These matters are pending at various stages of adjudication.
2. Five criminal cases have been filed by Inspectors of Legal Metrology, against Rakesh Biyani, before various judicial forums, for alleged violation of the provisions of the Legal Metrology Act, 2009 in relation to improper pricing of various products, deficiency in label declaration and misbranding. These matters are pending at various stages of adjudication.
3. A criminal case has been lodged with the Jorhat Police Station, pursuant to filing of an FIR with the Jorhat Police Station, against FRL, Rakesh Biyani and others (the “**Accused**”). For further details, please see the section entitled “*Outstanding Litigation and Material Developments - Litigation involving Future Retail Limited (“FRL”) – Criminal cases*” on page 320.

Civil cases

The DTDC Courier and Cargo Limited (the “**Plaintiff**”) has instituted civil suit against the Rakesh Biyani and others (the “**Defendants**”) for recovery of ₹ 2.35 million along with pendente lite and future interest that has remained outstanding and has been accrued over the Defendants on account of the services rendered by the Plaintiff to the Defendants. This matter is currently pending.

Litigation involving Mayur Toshniwal

There is no litigation involving Mayur Toshniwal.

Litigation involving Chandra Prakash Toshniwal

Other than as described below, there is no litigation involving Chandra Prakash Toshniwal.

Criminal cases

1. Eight criminal cases have been filed by the Local Health Authorities, Food Safety Officer, and the Food and Drug Administration authorities, against Chandra Prakash Toshniwal, before various judicial forums, for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955 Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, in relation to various matters such as misbranding of food products, food products containing insects, misbranding and improper labelling and packaging. These matters are pending at various stages of adjudication.

Litigation involving Shyam Maheshwari

There is no litigation involving Shyam Maheshwari.

Litigation involving Janat Shah

There is no litigation involving Janat Shah.

Litigation involving Bala Deshpande

Other than as described below, there is no litigation involving Bala Deshpande.

Criminal cases

1. Five criminal cases have been filed by the Food Safety Officer, and the Food and Drug Administration authorities, against Bala Deshpande, before various judicial forums, for alleged violation of the provisions of the Prevention of Food Adulteration Act, 1954, the Prevention of Food Adulteration Rules, 1955, Food Safety & Standards Act, 2006, the Food Safety and Standards (Food Products Standard & Food Additives) Regulations, 2011, and the Food Safety & Standards (Packaging & Labelling) Regulations, 2011, in relation to various matters such as misbranding of food products, high content of chemicals in food products above permissible levels, food products containing insects, misbranding and improper labelling and packaging. These matters are pending at various stages of adjudication.
2. Five criminal cases have been filed by Inspectors of Legal Metrology, against Bala Deshpande, before various judicial forums, for alleged violation of the provisions of the Legal Metrology Act, 2009 in relation to improper pricing of various products, deficiency in label declaration and misbranding. These matters are pending at various stages of adjudication.

Litigation involving Amar Sapra

There is no litigation involving Amar Sapra.

Litigation involving Rahul Garg

There is no litigation involving Rahul Garg.

Action initiated by SEBI against the Entities operating in the Securities Market with which Directors are associated

There are no actions initiated by SEBI against entities operating in the Securities Market with which the Directors are associated.

Past Penalties

Except as disclosed in this Red Herring Prospectus, there are no past penalties. For further details, please see the sections entitled “*Outstanding Litigation and Material Developments - Regulatory Actions in the last five years against our Promoter*” on page 313.

V. Material Developments

For details of material developments, please see the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 289.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals required by us for certain of our hubs, branches, distribution centres and temperature controlled facilities (“Facilities”) which are material and necessary for undertaking our business. Whilst our Company does not require to obtain licences and approvals for certain of our Facilities, as they are not owned by our Company, our Company facilitates the process of obtaining such licences and approvals. In view of these approvals, our Company can undertake this Offer and its current business activities.

In relation to certain of our Facilities which are material and necessary for undertaking our business, we have also disclosed below (i) approvals applied for but not received; and (ii) approvals for which applications are yet to be made.

Approvals applicable at our Company level

1. Registration under the Maharashtra Motor Transport Workers Rules, 1962 to carry out motor transport services.

Approvals applicable at our Facility level

- (a) Licence to operate our stores for 365 days issued under relevant shops and establishment legislations of the respective states in which our hubs, branches and distribution centers are located;
- (b) Licences issued by the Food and Drug Administration of the respective states in which our distribution centres and temperature controlled facilities are located, under the Food Safety and Standards Act, 2006 for the purposes of (i) storage (cold and refrigerated); (ii) storage (except controlled atmosphere and cold); (iii) distribution; (iv) manufacturing; and (v) food business operation;
- (c) Licences issued by the Legal Metrology Departments of the respective states in which our hubs, branches and distribution centres are located under the Legal Metrology Act, 2009 for weighing scale calibration;
- (d) Registration of diesel generator set issued by the Office of Electrical Inspector of the states in which our hubs, branches, distribution centres and temperature controlled facilities are located;
- (e) Registration under the Contract Labour (Regulations and Abolition) Act, 1970 and the rules made thereunder, issued by the labour departments of the respective states in which our Facilities are located;
- (f) Trade licences and no objection certificates issued by the relevant gram panchayats of the local limits in which our Facilities are located;
- (g) No objection certificate issued by the fire department of the local municipal corporations of the respective states in which our Facilities are located; and
- (h) Licences obtained under the Essential Commodities Act, 1955, the Insecticides Act, 1968 and the Factories Act, 1948, applicable to certain of our distribution centers and temperature controlled facilities.

Approvals applied for but not received

- (a) Application dated October 13, 2015 pending with the Panchayat Development Officer, Nelamangala Taluq for trade licence for our warehouse located at Nelamangala, Karnataka;
- (b) Application dated February 1, 2014 pending with the Chief Fire Officer and Fire Advisor, Fire Control Office for fire no objection certificate for our hub and branch at Bhiwandi – Building C, Maharashtra;
- (c) Application dated August 16, 2015 pending with the Chief Fire Officer, Ahmedabad Municipal Corporation for fire no objection certificate for our temperature controlled facility at Ganeshpura, Gujarat; and
- (d) Application dated September 30, 2015 pending with the Chief Fire Officer, Karnataka Fire and Emergency Services for fire no objection certificate for our distribution center at Soukya Road, Karnataka.

Approvals for which applications are yet to be made

Certain consents, licences, registrations, permissions and approvals may have elapsed in their normal course and our Company undertakes to obtain all consents, approvals, licences, registrations and permissions required to operate its business. Some of the material consents, licences, registrations, permission and approvals that have elapsed for which applications are yet to be made by our Company include:

A. Applications for obtaining D. G. Licences

1. Application for obtaining D. G. licence for the distribution centre at Barasat, West Bengal.
2. Application for obtaining D. G. licence for the hub and branch at Howrah, West Bengal.

B. Applications for obtaining no objection certificates from the relevant fire authorities

1. Application for obtaining the no objection certificate from the relevant fire authority for the hub and branch at Howrah, West Bengal.
2. Application for obtaining the no objection certificate from the relevant fire authority for the distribution center at Bhiwandi – Building D, Maharashtra.

C. Applications for obtaining no objection certificates from the relevant Gram Panchayats

1. Application for obtaining the no objection certificate from the relevant Gram Panchayat for the temperature controlled facility at Ganeshpura, Gujarat.

D. Applications for obtaining trade licences

1. Application for obtaining relevant trade licence for the branch at Hosur Road, Karnataka.

E. Applications for obtaining licences under the Insecticides Act, 1968

1. Application for obtaining the licence under the Insecticides Act, 1968 for the distribution centre at Barasat, West Bengal.

F. Applications for obtaining licences under the Essential Commodities Act, 1955

1. Application for obtaining the licence under the Essential Commodities Act, 1955 for the distribution centre at Barasat, West Bengal.

G. Applications for obtaining licences from the Legal Metrology Departments of the respective states

1. Application for obtaining the licence under the Legal Metrology Department of the respective state for the branch at Hosur Road, Karnataka.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at their meeting held on June 27, 2017 under the Companies Act, 2013. Further, the Committee of Directors has taken on record the approval of the Offer for Sale by the Selling Shareholders and has approved the Draft Red Herring Prospectus pursuant to its resolution dated August 23, 2017.

For details on the authorisations of the Selling Shareholders in relation to the Offer, please see the section entitled “*The Offer*” on page 58.

The Equity Shares being offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI ICDR Regulations and are eligible for being offered for sale in the Offer. The Selling Shareholders have also confirmed with respect to the Equity Shares held by them that they are the legal and beneficial owners of the Equity Shares being offered under the Offer for Sale.

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 15, 2017 and September 21, 2017, respectively.

The Selling Shareholders have on their own account confirmed that they have not been prohibited from dealings in the securities market and the Equity Shares proposed to be offered and sold by them are free from any lien, encumbrance, transfer restrictions or third party rights.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company, natural persons behind our corporate Promoter and the Selling Shareholders have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

The companies, with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except Bala Deshpande and Shyam Maheshwari, none of our Directors or the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI.

There has been no action taken by SEBI against our Directors or any of the entities in which our Directors are involved in as promoter or directors.

Prohibition with respect to Wilful Defaulters

Neither our Company, nor our Promoter, Directors, Group Companies, nor the Selling Shareholders have been identified as a Wilful Defaulter. Further, there are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained under the eligibility criteria calculated in accordance with the Restated Financial Statements:

- Our Company has had net tangible assets of at least ₹30 million in each of the preceding three full years (of 12 months each);
- Our Company has a minimum average pre-tax operating profit of ₹150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹10 million in each of the three preceding full years (of 12 months each);
- The aggregate size of the proposed Offer and all previous issues made in the same financial year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Company for the year ended March 31, 2017; and
- Our Company has not changed its name in the last one year.

Our Company's pre-tax operating profit, net worth and net tangible assets derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the last five years ended Fiscal 2017 are provided below:

(₹ in million, unless otherwise stated)

	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-tax operating profit ⁽¹⁾	551.42	492.53	444.25	147.45	101.33
Net worth ⁽²⁾	2,928.09	2,472.40	2,177.77	2,010.08	1,967.80
Net tangible assets ⁽³⁾	3,019.35	2,570.83	2,238.82	1,985.58	1,920.02

(1) "Pre-tax operating profit" means net profit before tax (excluding non-operating income and finance costs)

(2) "Net worth" means 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 statement profit and loss account.

(3) The 'net tangible assets' mean the sum of all net assets, excluding intangible assets as defined in Indian Accounting Standard 39 and Accounting Standard 26 notified under the Companies Act, 2013 and deferred tax assets/liabilities.

Average pre-tax operating profit based on the three most profitable years out of the immediately preceding five years, being Fiscals 2015, 2016 and 2017, is ₹496.07 million.

Fiscals 2017, 2016 and 2015 are the three most profitable years out of the immediately preceding five financial years in terms of our Restated Financial Statements.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted will be not less than 1,000.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MANAGERS, EDELWEISS FINANCIAL SERVICES LIMITED, CLSA INDIA PRIVATE LIMITED, NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED, IDFC BANK LIMITED, IIFL HOLDINGS LIMITED AND YES SECURITIES (INDIA) LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (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 AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS

BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 23, 2017 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE OFFER, 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 DATED AUGUST 23, 2017 (“DRAFT RED HERRING PROSPECTUS”) PERTAINING TO THE SAID OFFER;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC; FRAMED/ISSUED BY SEBI, 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 OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “SEBI (ICDR) REGULATIONS”) AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE
5. WE CERTIFY THAT A WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF EQUITY SHARES AS PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN, AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER’S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. - COMPLIED WITH AND NOTED FOR COMPLIANCE

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (ICDR) REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE OFFER. – **NOT APPLICABLE**
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECTS CLAUSE OF THE COMPANY'S MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – **NOT APPLICABLE**
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE OFFER 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 MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY, AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – **NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – **NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ICDR) REGULATIONS 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 COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ICDR) REGULATIONS WHILE MAKING THE OFFER. – **NOTED FOR COMPLIANCE**
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF THE CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, 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 THE LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER), AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED, IN ACCORDANCE WITH THE RELEVANT ACCOUNTING STANDARDS, IN THE FINANCIAL STATEMENTS INCLUDED IN THE DRHP AS CERTIFIED BY OUR AUDITORS BY WAY OF A CERTIFICATE DATED AUGUST 22, 2017.**
18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE) – NOT APPLICABLE**

The filing of this Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Red Herring Prospectus from any liabilities under Section 34 or Section 36 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 Offer. SEBI further reserves the right to take up at any point of time, with the Lead Managers, any irregularities or lapses in this Red Herring Prospectus.

The filing of this Red Herring Prospectus does not absolve the respective Selling Shareholders from any liability to the extent of the statements made by each Selling Shareholder in respect of their respective portion of the Equity Shares being offered by it, respectively under the Offer, under Section 34 and Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer have been complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders and the Lead Managers

Our Company, the Directors and the Lead Managers accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.futuresupplychains.com or the respective websites of our Promoter Group or Group Companies, would be doing so at his or her own risk. Each Selling Shareholder accepts no responsibility for any statements made, other than those specifically made by each Selling Shareholder, in relation to itself and its respective portion of the Equity Shares being offered by it under the Offer.

The Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement, as and when executed.

All information shall be made available by our Company and the Lead Managers 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 Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software or hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable

laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, 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.

The Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, VCFs, AIFs, FVCIs, public financial institutions, scheduled commercial banks, state industrial development corporation, permitted national investment funds, Systemically Important NBFCs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and Eligible NRIs and FPIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase 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 in whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this 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 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, our Group Companies or any of the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under 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.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company and the Lead Managers that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
- (2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;
- (4) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;
- (6) the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;
- (7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act;
- (8) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;
- (9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

- (10) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
- (11) the purchaser acknowledges that the Company, the Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the Lead Managers that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
- (2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (3) the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;
- (4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
- (5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;
- (7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;
- (8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER

JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

- (9) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
- (10) the purchaser acknowledges that the Company, the Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a “**Relevant Member State**”), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the Lead Managers; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the Company or any Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the Lead Managers and the Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the Lead Managers has been obtained to each such proposed offer or resale.

The Company, the Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of BSE

BSE Limited (the “**Exchange**”) has given vide its letter dated September 15, 2017 permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. The Exchange does not in any manner:

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed to mean that this offer document has been cleared or approved by the Exchange. Every Person who desires to apply for or otherwise acquires any securities of the Company 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 for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/20069 dated September 21, 2017 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this 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.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at SEBI at Plot No. C 4-A, ‘G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the Registrar of Companies, Maharashtra at Mumbai situated at 100 Everest, Marine Drive, Mumbai 400 002.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE, will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders will forthwith repay without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus as required by applicable law.

If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholders confirm that it shall extend all reasonable co-operation required by our Company, the Lead Managers for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other timeline as prescribed by law.

The Selling Shareholders, severally and not jointly, undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company in relation to the Equity Shares offered by them in the Offer for Sale, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges.

For details in relation to the expenses for the Offer, please see the section entitled “*Objects of the Offer – Offer Expenses*” on page 82.

Price information of past issues handled by the Lead Managers (during the current financial year and two financial years preceding the current financial year)

A. Edelweiss

1. Price information of past issues handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, benchmark]- 30 th calendar days from listing	+/- % change in closing price, benchmark]- 90 th calendar days from listing	+/- % change in closing price, benchmark]- 180 th calendar days from listing
1.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	Not applicable	Not applicable	Not Applicable
2.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	Not applicable	Not applicable	Not Applicable
3.	Prataap Snacks Limited	4,815.98	938.00 [^]	October 5, 2017	1,270.00	25.12% [5.70%]	Not applicable	Not applicable
4.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	Not applicable	Not applicable
5.	Cochin Shipyard Limited	14,429.30	432.00 [^]	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	Not applicable
6.	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	127.92%; [5.84%]	128.86% [2.26%]	Not applicable
7.	Tejas Networks Limited	7,766.88	257.00	June 27, 2017	257.00	28.04%; [5.35%]	17.82% [3.80%]	Not applicable
8.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	145.08%; [-0.20%]	166.35% [5.88%]	264.38% [11.31%]
9.	BSE Limited	12,434.32	806.00	February 3, 2017	1,085.00	17.52%; [2.55%]	24.41%; [6.53%]	34.43% [15.72%]
10.	Sheela Foam Limited	5,100.00	730.00	December 9, 2016	860.00	30.23%; [-0.31%]	48.39% [8.02%]	86.65% [16.65%]

Source: www.nseindia.com

[^]Prataap Snacks Limited - Employee Discount of ₹ 90 per Equity Share to the Issue Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the issue price of Rs. 938 per equity share

[^]Cochin Shipyard Limited - Discount of Rs.21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of Rs. 432 per equity share

Notes:

1. Based on date of listing.
2. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.
3. Wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
4. The Nifty 50 index is considered as the Benchmark Index
5. Not Applicable. – Period not completed
6. Disclosure in Table-I restricted to 10 issues.

2. Summary statement of price information of past issues handled by Edelweiss:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18*	7	191,633.93	-	-	-	1	3	1	-	-	-	-	-	-
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1
2015 - 16	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2

*The information is as on the date of the document

1. Based on date of listing.

2. Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.

3. The Nifty 50 index is considered as the Benchmark Index.

For the financial year 2017-18 – 7 issues have been completed. However, 5 issues have completed 30 days and only 3 issues have completed 90 days yet.

For the financial year 2016-17 – total 6 issues were completed and for the financial year 2015-16 total 7 issues were completed. However, disclosure under Table-I is restricted to latest 10 issues.

B. CLSA

1. Price information of past issues handled by CLSA:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	HDFC Standard Life Insurance Company Limited ²	86,950.07	290.00	November 17, 2017	310.00	Not Applicable	Not Applicable	Not Applicable
2.	Reliance Nippon Life Asset Management Limited ²	15,422.40	252.00	November 6, 2017	295.90	Not applicable	Not applicable	Not applicable
3.	ICICI Lombard General Insurance Company Limited ²	57,009.39	661.00	September 27, 2017	651.10	+3.62%, [+6.25%]	Not applicable	Not applicable
4.	Varun Beverages Limited ²	11,125.00	445.00	November 8, 2016	430.00	-7.72%, [-5.17%]	-9.36%, [3.01%]	10.60%, [9.02%]
5.	ICICI Prudential Life Insurance Company Limited ²	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	12.31%, [5.28%]

Source: www.nseindia.com

Notes:

1. The CNX NIFTY is considered as the Benchmark Index.
2. Price on NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
4. Not applicable – where the relevant period has not been completed.

2. Summary statement of price information of past handled by CLSA:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%
2017-18	3	159,381.79	-	-	-	-	-	1	-	-	-	-	-	-
2016-17	2	71,692.91	-	-	2	-	-	-	-	-	-	-	-	2
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: For 2017-18, the information is as on the date of this Offer Document

C. Nomura

1. Price information of past issues handled by Nomura:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, +/- % change in closing benchmark)- 30 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark)- 90 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark)- 180 th calendar days from listing
1.	HDFC Standard Life Insurance Company Limited	86,950.07	290	November 17, 2017	310	Not applicable	Not applicable	Not applicable
2.	The New India Assurance Company Limited ¹	95,858.23	800	November 13, 2017	750	Not Applicable	Not Applicable	Not Applicable
3.	Reliance Nippon Life Asset Management Limited	15,422.40	252	November 6, 2017	295.9	Not Applicable	Not Applicable	Not Applicable
4.	Central Depository Services (India) Limited	5,239.91	149	June 30, 2017	250	+127.92% [5.84%]	+128.86% [2.26%]	Not applicable
5.	Tejas Networks Limited	7,766.88	257	June 27, 2017	257	+28.04% [+5.35%]	+17.82% [3.80%]	Not applicable
6.	Housing and Urban Development Corporation Limited ²	12,097.77	60	May 19, 2017	73	+13.17% [+2.44%]	+34.67% [+4.98%]	+35.67% [+8.05%]
7.	BSE Limited	12,434.32	806	February 3, 2017	1,085	+17.52% [+2.55%]	+24.41% [+6.53%]	+34.43% [+15.72%]
8.	Alkem Laboratories Limited ³	13,477.64	1,050	December 23, 2015	1,380	+30.34% [-7.49%]	+28.60% [-2.06%]	+31.91% [+4.74%]

Source: www.nseindia.com

1. Price for retail individual investors and Eligible Employees bidding in the Employee Reservation Portion was INR770.00 per equity share

2. Price for retail individual bidders bidding in the retail portion and to eligible employees was INR58.00 per equity share

3. Price for eligible employees was INR950.00 per equity share

Notes:

a. The CNX NIFTY has been considered as the Benchmark Index.

b. Price on NSE is considered for all of the above calculations.

c. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.

Not applicable – Period not completed

2. Summary statement of price information of past handled by Nomura:

Fiscal	Total I no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%
2017-18*	6	223,335.26	-	-	-	1	1	1	-	-	-	-	1	-
2016-17	1	12,434.32	-	-	-	-	-	1	-	-	-	-	1	-
2015-16	1	13,477.64	-	-	-	-	-	1	-	-	-	-	1	-

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

6 issues were completed in the financial year 2017-2018. However, 3 issues have not completed 30 days and 4 issues have not completed 180 days.

D. IDFC Bank

1. Price information of past issues handled by IDFC Bank:

Sr. No.	Issuer Name	Issue Size (Rs. Million)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar day from listing
1.	HPL Electric & Power Limited	3,610.00	202.00	October 4, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
2.	Shankara Building Products Limited	3,450.01	460.00	April 5, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	Not Available	Not Available
4.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	Not Available	Not Available	Not Available
5.	Khadim India Limited	5430.57	750.00	November 14, 2017	730.00	Not Available	Not Available	Not Available
6.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	Not Available	Not Available	Not Available

* Offer Price was ₹ 770.00 per equity share after a discount of Rs. 30 per equity share to retail individual bidders and eligible employees.

Notes:

- Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.
- NSE was the designated stock exchange for the issue listed as item 1, 5 & 6 and BSE was the designated stock exchange for the issues listed as item 2, 3 & 4. Therefore price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.
- In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.
- Since 30, 90 and 180 calendar days, from listing date has not elapsed for The New India Assurance Company Limited, Khadim India Limited and HDFC Standard Life Insurance Company Limited, hence data for same is not available.
- Since 90 and 180 calendar days, from listing date has not elapsed for Dixon Technologies (India) Limited, hence data for same is not available.

2. Summary statement of price information of past issues handled by IDFC Bank:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	5	197,681.67	-	-	-	2	-	-	-	-	-	1	-	-
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-
2015-2016**	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*As on the date of RHP

** From October 21, 2015, the date of registration under SEBI (Merchant Banker) Regulations 1992,

Notes:

- Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.
- The discount/premium has been/will be calculated based on the closing stock price.
- Since 30, 90 and 180 calendar days, from listing date has not elapsed for The New India Assurance Company Limited, Khadim India Limited HDFC Standard Life Insurance Company Limited, hence data for same is not available.
- Since 90 and 180 calendar days, from listing date has not elapsed for Dixon Technologies (India) Limited, hence data for same is not available.

E. IIFL

1. Price information of past issues handled by IIFL:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price*, +/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price*, +/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price*, +/- % change in closing benchmark]- 180 th calendar days from listing
1.	Mampasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	+23.2%, [+2.4%]	+31.5%, [-2.2%]	+58.6%, [-6.9%]
2.	Power Mech Projects Limited	2,732.16	640.00	August 26, 2015	600.00	-9.4%, [-0.2%]	-2.8%, [-0.6%]	-10.6%, [-8.2%]
3.	Precision Camshafts Limited	4,101.90	186.00	February 8, 2016	165.00	-15.0%, [+0.6%]	-20.8%, [+3.3%]	-20.1%, [+15.9%]
4.	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.9%, [+3.3%]	-17.4%, [+7.0%]	-1.3%, [+14.8%]
5.	Ujjivan Financial Services Limited	8,824.96	210.00	May 10, 2016	231.90	+74.1%, [+4.3%]	+115.4%, [+10.7%]	+98.3%, [+7.2%]
6.	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.9%, [+1.5%]	+94.6%, [+2.8%]	+110.8%, [-2.6%]
7.	Dilip Buildcon Limited	6,539.77	219.00	August 11, 2016	240.00	+5.1%, [3.4%]	-3.9%, [-1.7%]	+20.3%, [+2.3%]
8.	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+29.4%, [-1.5%]	59.8%, [-6.9%]	+107.9%, [+1.7%]
9.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.6%, [-1.2%]	-11.6%, [-8.1%]	+11.3%, [+4.1%]
10.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.3%, [+0.3%]	+3.1%, [+4.0%]	Not applicable
11.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2725.00	+50.8%, [+1.2%]	Not applicable	Not applicable
12.	Capacit'e Infraprojects Limited	4,000.00	250.00	September 25, 2017	399.00	+34.9%, [+3.3%]	Not applicable	Not applicable
13.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.00	+3.3%, [+4.6%]	Not applicable	Not applicable
14.	Indian Energy Exchange Limited	10,007.26	1,650.00	October 23, 2017	1,500.00	-5.6%, [+1.9%]	Not applicable	Not applicable
15.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	Not applicable	Not applicable	Not applicable
16.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	Not applicable	Not applicable	Not applicable

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date.

2. *Summary statement of price information of past handled by IIFL:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015-16	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-
2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2017-18	7	187,177.71	-	-	2	1	1	1	-	-	-	-	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

F. YES Securities

1. Price information of past issues handled by YES Securities:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.93% - change in closing price; +0.83% - change in closing benchmark	+94.59% - change in closing price; +2.20% - change in closing benchmark	+110.36% - change in closing price; -3.34% - change in closing benchmark
2.	Varun Beverages Limited	11,125.00	445.00	November 08, 2016	430.00	-5.00% - change in closing price; -3.47% - change in closing benchmark	-9.36% - change in closing price; +3.01% - change in closing benchmark	+10.60% - change in closing price; +9.02% - change in closing benchmark
3.	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92% - change in closing price; +5.84% - change in closing benchmark	+128.62% - change in closing price; +2.61% - change in closing benchmark	-
4.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-13.32% - change in closing price; +4.16% - change in closing benchmark	-18.88% - change in closing price; +2.61% - change in closing benchmark	-
5.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-1.88% - change in closing price; +1.89% - change in closing benchmark	+3.14% - change in closing price; +4.92% - change in closing benchmark	-
6.	Dixon Technologies (India) Limited	5,992.79	1,766	September 18, 2017	2,725.00	+51.76% - change in closing price; +0.23% - change in closing benchmark	-	-
7.	Reliance Nippon Life Asset Management Company Limited	15,422.40	252.00	November 06, 2017	295.90	-	-	-
8.	The New India Assurance Company Limited	96,000.00	800.00	November 13, 2017	750.00	-	-	-

Notes:

1. Benchmark Index taken as CNX NIFTY
2. Price on NSE is considered for all of the above calculations
3. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.
4. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day has been considered for the computation.

2. *Summary statement of price information of past issues handled by Yes Securities:*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%
2017-18	6	135,298.90	-	-	2	2	-	-	-	-	-	-	-	-
2016-17	2	15,125.00	-	-	-	-	-	-	-	-	-	1	-	1
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.
2. The information for the financial year is based on issue listed during such financial year.

Track record of past issues handled by the Lead Managers

For details regarding the track record of the Lead Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Lead Managers as provided in the table below:

Sl. No	Name of the Lead Managers	Website
1.	Edelweiss	www.edelweissfin.com
2.	CLSA	www.india.clsa.com
3.	Nomura	www.nomuraholdings.com/company/group/asia/india/index.html
4.	IDFC Bank	http://idfcbank.com/wholesalebanking/investment-banking/track-record-disclaimer.html
5.	IIFL	www.iiflcap.com
6.	YES Securities	www.yesinvest.in

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Auditors, Indian Legal Counsel to our Company, Indian Legal Counsel to the Lead Managers, International Legal Counsel to the Lead Managers, Bankers to our Company, the Lead Managers, the Syndicate Members, Escrow Collection Bank, Banker to the Offer, Refund Bank, the Registrar to the Offer and A&M to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Auditors have given their written consent for inclusion of their reports dated November 14, 2017 on the Restated Financial Statements of our Company and the statement of tax benefits dated November 15, 2017 in the form and context, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus for filing with SEBI.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated November 15, 2017 from the Auditors to include their name as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to the examination report of the Auditors dated November 14, 2017 on the Restated Financial Statements of our Company and the statement of tax benefits dated November 15, 2017, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 12, 2017 from Kewal Chand Jain & Company, valuer and chartered engineer, to include their name as expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to certain architectural, technical specifications and key performance indicators on distribution centers operated by the Company, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated November 9, 2017 from R Jangir & Co., Chartered Accountants to include their name as expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in relation to certain operational data relating to our business, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Offer Expenses

For details of and in relation to the Offer expenses, please see the section entitled “*Objects of the Offer*” on page 82.

Fee, Brokerage and Selling Commission Payable to the Syndicate Members

The total fee payable to the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the Syndicate Agreement, copies of which will be made available for inspection at the Registered Office from the date of this Red Herring Prospectus until the Bid/Offer Closing Date. For further details, please see the section entitled “*Objects of the Offer*” on page 82.

Commission payable to SCBSs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBSs, Registered Brokers, RTAs and CDPs please see the section entitled “*Objects of the Offer*” on page 82.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of the Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company’s inception.

Previous capital issue during the previous three years by listed Group Companies of our Company

Except for the Future Entities and Galaxy Entertainment Corporation Limited, none of our Group Companies of our Company are listed as on the date of this Red Herring Prospectus. For further details, please see the section entitled “*Our Group Companies*” on page 168.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies of our Company

Our Company has not undertaken any previous public or rights issue.

Except FCL, none of our Group Companies have undertaken any public or rights issue in the last ten years preceding the date of the Draft Red Herring Prospectus. There is no shortfall in performance vis-a-vis objects of any public or rights issue undertaken by the Future Entities.

Outstanding Debentures or Bonds

Except as disclosed in the section entitled “*Capital Structure*”, there are no outstanding debentures or bonds of our Company as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares or convertible instruments issued by our Company

Except as disclosed in the section entitled “*Capital Structure*”, our Company does not have any preference shares or convertible instruments as of the date of filing this Red Herring Prospectus.

Partly Paid-up Equity Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least 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 Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the Lead Managers.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Vimal K. Dhruve, Company Secretary of our Company as the Compliance Officer for the Offer. For details, please see the section entitled “*General Information*” on page 59.

Our Company has constituted a Stakeholders’ Relationship Committee comprising Chandra Prakash Toshniwal, Amar Sapra and Mayur Toshniwal as its members. For further details on the Stakeholders’ Relationship Committee, please see the section entitled “*Our Management*” on page 146.

Disposal of Investor Grievances by our Promoter and our listed Group Companies

Except for the Future Entities and Galaxy Entertainment Corporation Limited, there are no listed Group Companies.

Our Promoter and Future Entities have each constituted a stakeholders’ relationship committee in order for redressal of investor grievances. Our Promoter and the Future Entities have also appointed Link Intime India Private Limited for the same. Our Promoter and the Future Entities estimate that the average time required by it or its registrar, for the redressal of routine investor grievances is 15 days from the date of receipt of the complaint. In respect of Galaxy Entertainment Corporation Limited, a committee of its board of directors and its board of directors, if required review investor grievances.

- FEL has received 131 investor complaints in the last three Fiscals and 131 investor complaints were disposed in that period.
- FRL has received 16 investor complaints in the last three Fiscals and 16 investor complaints were disposed in that period.

- FCL has received 15 investor complaints in the last three Fiscals and 15 investor complaints were disposed in that period.
- FLFL has received 53 investor complaints in the last three Fiscals and 53 investor complaints were disposed in that period.
- Galaxy Entertainment Corporation Limited has not received any investor complaints in the last three Fiscals.

Changes in Auditors

There has been no change in the statutory auditors in the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not revalued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Offer for Sale

The Offer comprises an Offer for Sale by the Selling Shareholders.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the MoA and AoA and all Equity Shares shall rank *pari-passu* in all respects, including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see the section entitled “*Main Provisions of Articles of Association*” on page 403.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations. For further details, in relation to dividends, please see the sections entitled “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 180 and 403, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the Selling Shareholders and the Lead Mangers and advertised in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta and the Mumbai edition of the Marathi newspaper, Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, please see the section entitled “*Main Provisions of Articles of Association*” on page 403.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 13, 2017 amongst NSDL, our Company and the Registrar to the Offer;
- Agreement dated June 26, 2014 amongst CDSL, our Company and the Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under 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.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the 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 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/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company, in consultation with the Selling Shareholders and the Lead Managers, reserve the right not to proceed with the Offer after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/ Offer Programme

BID/OFFER OPENS ON	December 6, 2017*
BID/OFFER CLOSES ON (FOR OTHER BIDDERS)	December 8, 2017

* The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations, being, December 5, 2017

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	December 8, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about December 13, 2017
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about December 14, 2017
Credit of Equity Shares to demat accounts of Allottees	On or about December 14, 2017
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about December 18, 2017

The above timetable, other than the Bid/ Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the Lead Managers.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend reasonable co-operation required by our Company and the Lead Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by such Selling Shareholders in the Offer) at all Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Lead Managers to the Stock Exchanges.

It is clarified that Bids 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 Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and in any case, no later than 3.00 p.m. IST on Bid/Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Our Company in consultation with the Selling Shareholders and the Lead Managers, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment for such percentage of the post-Offer paid-up Equity Share capital of our Company that will be at least ₹ 4,000 million calculated at the Offer Price, in terms of Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest prescribed under the applicable law provided that, subject to applicable law, the Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholder.

Further, our Company and the Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoter's minimum contribution and the Anchor Investor lock-in as provided in the section entitled "*Capital Structure*" on page 69 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. For details please see the section entitled "*Main Provisions of the Articles of Association*" on page 403.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

OFFER STRUCTURE

Public offer of up to 9,784,570 Equity Shares for cash at price of ₹ [●] per equity share (including a premium of ₹ [●] per equity share) aggregating to ₹ [●] through an offer for sale of up to 7,827,656 equity shares by the Investor Selling Shareholder and up to 1,956,914 equity shares by our Promoter Selling Shareholder. The Offer will constitute up to 24.43% of the post- Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* ⁽²⁾	Not more than 4,892,284 Equity Shares	Not less than 1,467,686 Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 3,424,600 Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Offer size shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. Any unsubscribed portion in the Mutual Fund reservation will be added to the QIB Portion (other than Anchor Investor Portion).	Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation.	Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Investors shall be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 97,846 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 1,859,068 Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above 2,935,370 Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, please see the section entitled “Offer Procedure – Part B – Allotment Procedure and Basis of Allotment” on page 391
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 in multiples of [●] Equity Shares	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 in multiples of [●] Equity Shares	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
		the size of the Offer, subject to limits applicable to each Bidder	Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply ⁽³⁾	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form ⁽²⁾		

* Assuming full subscription in the Offer

⁽¹⁾ Our Company in consultation with the Selling Shareholders and the Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, please see the section entitled "Offer Structure" on page 356.

⁽²⁾ Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b)(ii) of the SCRR and under the SEBI ICDR Regulations.

⁽³⁾ Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. For details of terms of payment applicable to Anchor Investors, please see section entitled "Offer Procedure -Section 7: Allotment Procedure and Basis of Allotment" on page 391.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, the Lead Managers and the Designated Stock Exchange.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under “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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company in consultation with the Selling Shareholders and the Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, 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 Selling Shareholders and the Lead Managers and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised 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 ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the Lead Managers.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account, details of which were provided by the Bidder in his respective ASBA Form and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under 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.

Participation by Promoter, Promoter Group, the Lead Managers, the Syndicate Members and persons related to the Promoter, Promoter Group, Lead Managers or Syndicate Members

The Lead Managers and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Lead Managers nor any persons related to the Lead Managers (other than Mutual Funds sponsored by entities related to the Lead Managers), Promoter and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% and 49% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) such offshore derivative instruments shall not be issued or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The Category I AIF and Category II AIF cannot invest more than 25% of the corpus in one investee company. A Category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

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, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies and Systemically Important NBFCs

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 this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) such other approval as may be required by the approval Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly provided below:

- (a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (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: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a 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 in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the Selling Shareholders and the Lead Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure the names given in the Bid cum Application Form are exactly the same as the names in which the beneficiary account is held with the DP. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
14. Ensure that the category and the investor status is indicated in the Bid cum Application Form;
15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN

entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database; and

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not fill up Bid cum Application Form such that Equity Shares bid for exceed Offer Size/investment limit or maximum number of Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Anchor Investors should not bid through ASBA process;
9. Do not submit the Bid for an amount more than funds available in your ASBA Account;
10. Do not submit more than five Bid cum Application Forms per ASBA Account;
11. 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;
12. 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;
13. 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).
14. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
15. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Designated Intermediary;
16. Do not Bid for shares more than specified by respective Stock Exchanges for each category;
17. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder; and
18. Do not submit Bids to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the Selling Shareholders and the Lead Managers, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “FSC IPO – Escrow R”
- (b) In case of Non-Resident Anchor Investors: “FSC IPO – Escrow NR”

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under Regulation 47(1) read with Schedule XIII of the SEBI ICDR Regulations, in: (i) all editions of the English national newspaper, Financial Express; (ii) all editions of the Hindi national newspaper, Jansatta; and (iii) the Mumbai edition of Marathi newspaper, Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 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.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- 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/ Offer Closing Date will be taken;
- our Company shall make the necessary applications to the Stock Exchanges for the Equity Shares;
- if Allotment is not made application money will be refunded/unblocked in ASBA Account within 15 days from the Bid/ Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- the Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.
- the certificates of the securities/refund orders to Eligible NRIs shall be despatched within specified time; and
- no further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Investor Selling Shareholder

The statements and undertakings provided below, in relation to the Investor Selling Shareholder, are statements which are specifically confirmed or undertaken by the Investor Selling Shareholder. All other statements or undertakings or both in this Red Herring Prospectus in relation to the Investor Selling Shareholder, shall be statements made by our Company, even if the same relate to the Investor Selling Shareholder. The Investor Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- it shall provide all reasonable assistance as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to Anchor Investors to the extent of the Equity Shares offered by it pursuant to the Offer;
- it shall provide such reasonable support, information and documentation and extend such reasonable cooperation as may be required by our Company and the Lead Managers for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/ Offer Closing Date of the Offer and in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;
- it shall not transfer the Equity Shares except in the Offer during the period commencing from submission of the Draft Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell,

dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;

- it shall comply with all regulatory filings under applicable laws in India, which are required to be made by it with regard to its investment in our Company's Equity Share capital to the extent such compliance requirements are applicable to it;
- all monies received out of the Offer 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; and
- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges.

Undertakings by the Promoter Selling Shareholder

The statements and undertakings provided below, in relation to the Promoter Selling Shareholder, are statements which are specifically confirmed or undertaken by the Promoter Selling Shareholder. All other statements or undertakings or both in this Red Herring Prospectus in relation to the Promoter Selling Shareholder, shall be statements made by our Company, even if the same relate to the Promoter Selling Shareholder. The Promoter Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- it shall provide appropriate instructions and all reasonable assistance as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to Anchor Investors to the extent of the Equity Shares offered by it pursuant to the Offer;
- it shall provide such reasonable support, information and documentation and extend such reasonable cooperation as may be required by our Company and the Lead Managers for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/ Offer Closing Date of the Offer and in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;
- it shall not transfer the Equity Shares except in the Offer during the period commencing from submission of the Draft Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer;
- all monies received out of the Offer 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; and
- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges.

Utilisation of Offer Proceeds

Since the Offer is entirely through an offer for sale, our Company will not receive any proceeds from the Offer. The Selling Shareholders, along with our Company, declare that all monies received out of the Offer 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.

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, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read this 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 through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, 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”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer 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 Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Offer and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the

Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Offer (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer 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/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

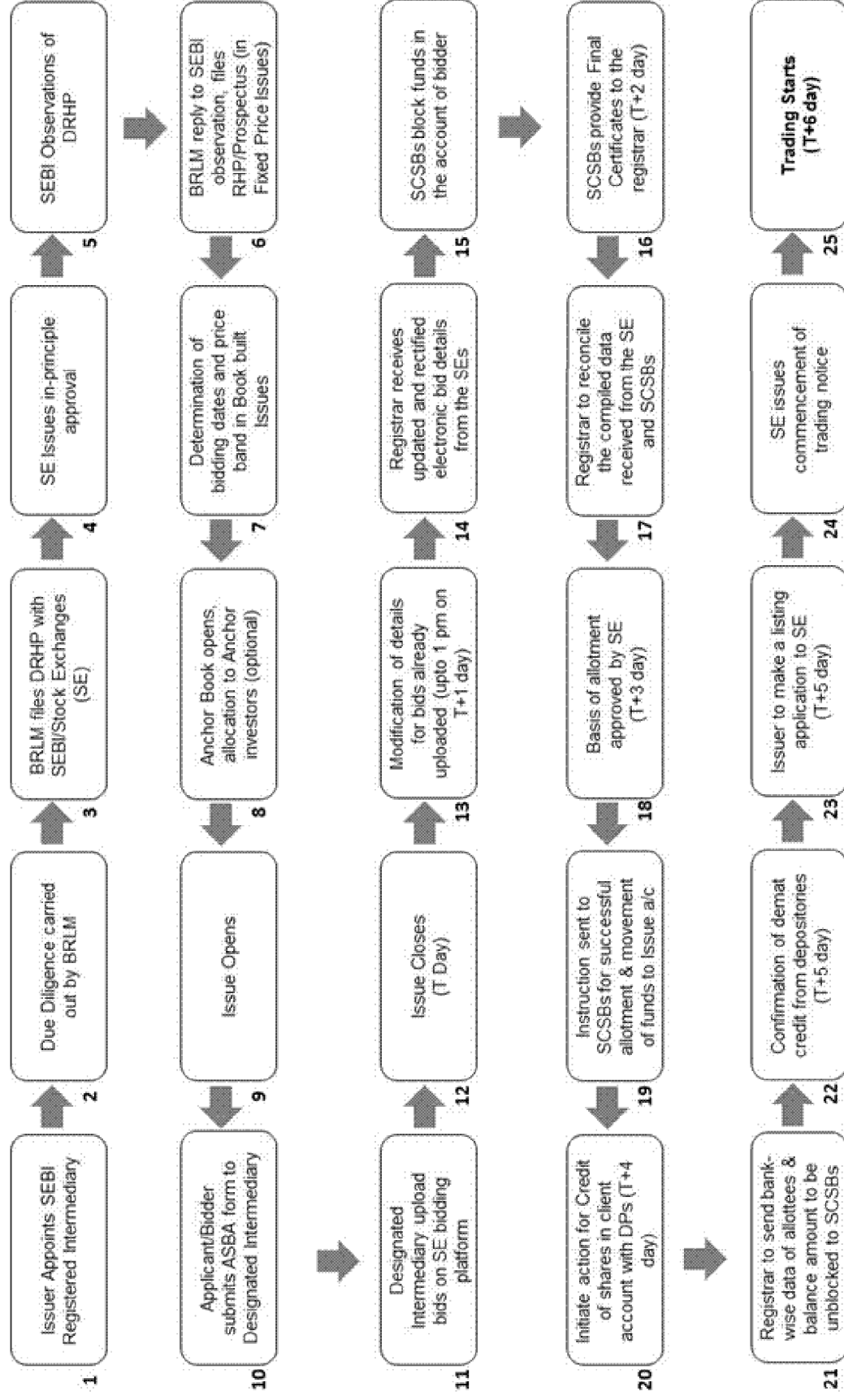
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7 : Determination of Offer Date and Price
 - ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate

Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum 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

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No.	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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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.
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB/ROW BANK/SCSB BRANCH STAMP & CODE	Address
		Tel. No (with STD code) / Mobile
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	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 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation funds) <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"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8 7 6 5 4 3 2 1</td> <td>3 2 1</td> <td>3 2 1</td> <td>3 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) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)	Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 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) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																									
	Bid Price	Retail Discount		Net Price	"Cut-off" (Please tick)																								
Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	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 figure)	(₹ 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 ANNOUNCEMENT 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)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to deal with and as necessary to make the Application in the line 1) 2) 3)	

TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	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	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> </tbody> </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 Acknowledgement Slip for Bidder Bid cum Application Form No.
	Option 1	Option 2	Option 3															
No. of Equity Shares																		
Bid Price																		
Amount Paid (₹)																		
ASBA Bank A/c No.																		
Bank & Branch																		

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.
- (d) **Impersonation:** Attention of the Bidders/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:

- (d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (e) 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*
- (f) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 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.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted

Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders/Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Offer.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).
- (c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

- (e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.
- (b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.
- (e) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Offer size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, NIBs and QIBs.
- (b) Up to 60% of the QIB Portion can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor

status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Offer, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. 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.
- (b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.
- (c) All Bidders (except Anchor Investors) have to participate in the Offer only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by direct credit, RTGS or NEFT.
- (c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for ASBA Bidders

- (a) Bidders may submit the ASBA Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the

ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

- (h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- (l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation 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 or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Offer may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RIB may revise their bids or withdraw their Bids till the Bid/Offer Closing Date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

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383

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIBs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to 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 RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue 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 ₹200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible, shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIBs 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 after the allotment is finalised.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable)) is blocked. In case of Bidders/Applicants 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.
- (b) Bidder/Applicants may issue 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/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- (d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIBs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Offer size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

- ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
- iii. Applications by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.
- (c) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue
- (b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 Payment instructions for ASBA Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 Discount (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	1) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location 2) To the Designated Branches of the SCSBs

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT 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 Issue Price based on the Bids received as detailed in Schedule XI of SEBI Regulations. The Issue Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Issue 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. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding 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 the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (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 centres 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 finalisation 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 (for Bids other than the Bids by Anchor Investors); 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.

5.5.1 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 finalisation 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/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/Prospectus;
- (q) Bids not uploaded in the Stock Exchanges bidding system.
- (r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (s) Where no confirmation is received from SCSB for blocking of funds;
- (t) Bids/Applications by Bidders (other than Anchor Investors) 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 not uploaded on the terminals of the Stock Exchanges;
- (w) 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.

5.6 BASIS OF ALLOCATION

- (a) The SEBI Regulations 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/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/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 Regulations. Unsubscribed portion in QIB Portion 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%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	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 finalise 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

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Issue Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder 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 Net 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.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIBs who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue

Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI Regulations or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Selling Shareholder and the BRLMs, subject to compliance with the following requirements:
 - i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹100 million;
 - Minimum of 2 and maximum of 15 Anchor Investors for allocation above ₹ 100 million and upto ₹2500 million, subject to minimum allotment of ₹50 million per such Anchor Investor; and
 - In case of allocation above ₹2,500 million, a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation upto ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.
- (b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Offer.
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

- (d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

- (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/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

- (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) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall 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 six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time 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 such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the

rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
- (b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) **NACH**—National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;
- (b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- (c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.
- (d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI Regulations and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer

Term	Description
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof.. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2 nd and 4 th Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI

Term	Description
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA 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 ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form

Term	Description
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non Institutional Bidders or NIBs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
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 and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

Term	Description
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Offer and certain other information
Public Issue Account	A Bank account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Portion	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI Regulations
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Term	Description
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All trading days of Stock Exchanges, excluding Sundays and holidays for commercial banks in Mumbai.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Consolidated FDI Policy superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect from August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 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 RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under 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.

The above information is given for the benefit of the Bidders. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

The Articles of Association of our Company comprises three parts, Part A, Part B and Part C, which parts shall, unless the context otherwise requires, be harmoniously constructed, provided that in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Parts B of these Articles shall prevail. In the event of any conflict between the provisions of Part A and Part C of these Articles, the provisions of Part C of these Articles shall prevail. Part B and Part C shall automatically terminate, be deleted and cease to have any force and effect upon the finalization of the Basis of Allotment without any further action by the Board of Directors or by the Shareholders.

PART A OF THE ARTICLES OF ASSOCIATION

Share Capital

Article 3 provides that “The authorised Capital of the Company is as defined in Clause V of the Memorandum of Association including amendments thereto, if any. The paid-up share capital of the Company shall be a minimum of Rs. 5,00,000 (Rupees Five Lac only).”

Article 16 provides that “Subject to the provisions of Section 43 of the Act and other applicable statutory provisions, the Company shall have the power to issue equity shares with voting rights or with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed.

If at any time the share capital is divided into different classes of equity 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 our 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.

To every such separate meeting, the provisions of the Act relating to Meetings shall *mutatis mutandis* 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.”

Article 21 provides that “Subject to the provisions of the Act, the shares (including any shares forming part of any increased Capital of the Company) shall be under the control of the Directors, who may issue, allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 52, 53 and 54 of the Act) at a premium or at par and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the return as to allotment provided for in Section 39 of the Act.”

Article 22 provides that “In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 16 and 17, the Company in General Meeting may, subject to the provisions of Section 42 and 62 of the Act, determine that any shares (whether forming part of the original Capital or of any increased Capital of the Company) shall be offered to such person (whether a Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52, 53, 54 and 43 of the Act) at a premium or at par or a discount or shares with voting rights or with differential rights as to dividend, voting or otherwise as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Sections 52, 53 and 54 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.”

Increase, reduction, alteration in capital and buy back of shares

Article 4 provides that “The Company in General Meeting may, from time to time by an Ordinary Resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the Ordinary Resolution shall prescribe. Subject the provisions of the Act, any shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

The Company may, subject to provisions of the Act and Rules made thereunder as may be in force, from time to time, issue shares and other securities under Employees Stock Options and/or by way of Sweat Equity.”

Article 11 provides that “The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive of the Act including any amendment thereto from time to time or any re-enactment thereof for the time being in force) from time to time by Special Resolution, wherever applicable, reduce its Capital, any Capital Redemption Reserve Account and Share Premium Account in any manner for the time being authorised by law, and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.”

Article 12 provides that “Subject to the provisions of Section 67, 68, 69, and 70 of the Act, the Rules made thereunder including any statutory modifications thereof, the Company may Buy Back its own Shares or other specified securities from time to time.”

Payment of commission and brokerage

Article 30 provides that “Subject to the provisions of Section 40(6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely, or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed such rate or amount as prescribed under the Act. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.”

Article 31 provides that “The Company may also, on any issue of share or debentures, pay such brokerage as may be lawful.”

Calls

Article 33 provides that “The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a Resolution passed at a meeting of the Board (and not by circular Resolution) make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares whether on account of nominal value of the shares or by way of premium held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board, provided that no person shall be given the right or the option to a call of shares of the Company, except with the sanction of the Company in a General Meeting. A call may be made payable by instalments.”

Article 34 provides that “Fourteen days’ notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.”

Article 35 provides that “Where calls are made on partly paid up shares :-

- (i) Call notice shall be sub-divided into smaller units when so required by the registered shareholders and duplicate call notices shall be issued at the request of the persons beneficially entitled on production of satisfactory evidence that they are so beneficially entitled.

- (ii) Payment of call moneys shall be accepted from the beneficial holders on production of sub-divided or duplicate call notices without insisting that the shares in respect of which these call monies are paid shall be transferred into the names of the beneficial holders.
- (iii) The surrender of call money receipts shall be accepted when allotment letters are presented to the Company to be exchanged for share certificates regardless of the persons in whose favour the receipts have been made out and the Board shall not require the surrender of any receipts from the registered shareholder(s) of the issue of discharge or indemnity from him or them before issuing the share certificate(s).

Article 36 provides that “A call shall be deemed to have been made at the time when the Resolution authorising such call was passed at a meeting of the Board.”

Article 37 provides that “A call may be revoked or postponed at the discretion of the Board.”

Article 38 provides that “The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.”

Article 39 provides that “The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time to all or any of the Members, the Board may deem fairly entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.”

Article 40 provides that “If any member fails to pay any call or instalment due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board or demand or recover any interest from any such member.”

Article 41 provides that “Any sums, which by the terms of issue of a share becomes payable on allotment or any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same become payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.”

Article 42 provides that “On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the company in respect of his shares, it shall be sufficient to prove that the name of the Members in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered as alleged to have become due on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the Member or his representatives so sued in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.”

Article 43 provides that “Neither a judgement nor decree in favour of the Company for calls or moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.”

Article 44 provides that

- (a) “The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the Board agree upon but not exceeding twelve percent per annum. The Board may agree to repay at any time any amount so advanced or may at any time repay the

same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

- (b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable."

Forfeiture, surrender and lien

Article 48 provides that "If any member fails to pay the amount due on any call or instalment of call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment."

Article 49 provides that "The notice shall name a day (not being less than fourteen days from the date of service of the notice) on or before which the payment is required to be made and a place to places on and at which such call or instalment and such interest thereof at such rate as the Board of Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited."

Article 50 provides that "If the requirements of any such notice as aforesaid shall not be complied with, every or any shares in respect of which, such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include dividends declare or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture."

Article 51 provides that "When any share shall have been so forfeited notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid."

Article 52 provides that "Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit. At any time, before the sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it may consider fit."

Article 53 provides that "Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit but shall not be under any obligation to do so. The liability of such a Member shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares"

Article 54 provides that "The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved."

Article 55 provides that "A duly verified declaration in writing that the declarant is a Director, manager or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a dated stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. The Company may receive 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.

The transferee shall be thereupon be registered as the holder of the share. 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."

Article 56 provides that “Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser’s name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.”

Article 57 provides that “Upon any sale, re-allotment or other disposal under the provision of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.”

Article 58 provides that “The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.”

Article 45 provides that “The Company shall have a first and paramount lien upon (i) all the shares (other than any fully paid-up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, (ii) for all moneys (whether presently payable or not) called or payable at fixed time in respect of such shares, and on all shares (not being fully paid up 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 may at any time declare any shares to be wholly or in part exempt from the provisions of this clause. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company’s lien, if any, on such shares. In respect of any partly paid equity shares of our Company, the lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such equity shares.”

Article 46 provides that “For the purpose of enforcing such lien the Board may sell the shares subject thereof in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their number to execute a transfer thereof on behalf of and in the name of such Member. The Company, may sell, in such manner as the Board may think 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 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists 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 No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.”

Article 47 provides that “The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.”

Article 59 provides that “The directors may, subject to the provisions of the Act, accept surrender of any shares from or for any members desirous of surrendering on such terms as they may think fit.”

Transfer and transmission of shares

Article 60 provides that “The Company shall keep a “Register of Transfer” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share. Provided further that, no registration of transfer shall be refused by the reason of the transferor being either jointly or alone, with any person or persons indebted to the Company on any account whatsoever.

- (i) 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 over which the Company has a lien.

- (ii) The Board may decline to recognise any instrument of transfer unless: (a) the instrument of transfer is in form as prescribed in rules made under section 56(1) of the Act; (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;
- (iii) On not giving less than seven days' previous notice in accordance with section 91 and the 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 30 days at any one time or more than 45 days in the aggregate in the year

Article 61 provides that "The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereto. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Shares until the name of the transferee is entered in the Register of Members in respect thereof."

Article 62 provides that "The Instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the company in accordance with the provisions of the Act. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of shares must be delivered to the Company."

Article 63 provides that "The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year."

Article 65 provides that "Where, in the case of partly paid shares, an application for registration is made by the Transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56(3) of the Act."

Article 66 provides that "Every holder of shares, in or holder of debentures or other securities of the Company may at any time, nominate in the prescribed form, pursuant to Section 72 of the Act and the Rules made thereunder, any person to whom his shares debentures or other securities shall vest in the event of his death.

- (a) to be registered himself as holder of the share or debenture or other security, as the case may be, or
- (b) to make such transfer of the share or debenture or other security, as the case may be as the deceased holder, debenture holder or the holder of such other security could have made.

Article 67 provides that "Subject to the provisions of the Act, the Directors shall have the same right to refuse to register a person entitled by transmission to any share of his nominee as if he were the transferee named in an ordinary transfer presented for registration."

Article 68 provides that "In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person."

Article 69 provides that

- (i) "Any person becoming entitled to a share in the consequence of the death or the 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 a holder of the share; or (b) 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

- (iii) If the person becoming so 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.
- (iv) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (v) All limitations, restrictions and provisions of the Act 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 has not occurred and the notice or transfer were a transfer signed by that Member.

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 any Meetings.

- (vi) 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 within 90 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.

Article 71 provides that “Subject to the provisions of the Act, other applicable law and Articles 61 and 62 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a Transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of shares or elect to have some person nominated by him and approved by the board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the such shares.”

Article 72 provides that “Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge, for any dividends for other moneys payable in respect of the shares.”

Article 73 provides that “There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.”

Article 74 provides that “The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Member) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever or refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereof if the Board shall so think fit.”

Borrowing Powers

Article 76 provides that “Subject to the provision of Sections 73, 179 and 180 of the Act, the Board may, from time at its discretion by a resolution passed at a meeting of the Board accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.”

Article 77 provides that “Subject to the provisions of the Act and Articles hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the General Meeting Resolution shall prescribe including by the issue of debentures of debentures stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.”

Article 78 provides that “Any debentures, debenture-stock or Hybrid or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise, Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.”

Article 79 provides that “The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 71, 77 to 87 (both inclusive) of the Act in that behalf to be duly complied with, so far they fail to be complied with by the Board.”

Article 80 provides that “The Board shall, if at any time it issued debentures, keep a Register and Index of Debenture-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a Branch Register of Debenture holders resident in that State or Country.”

Conversion of shares into stock

Article 85 provides that “The Company in General Meeting may convert any paid up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations, as and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid up shares of any denomination.”

Article 86 provides that “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 privileges or advantage (except participation in the dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.”

Article 87 provides that “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 these regulations shall include “Stock” and Stockholder” respectively.”

Convening General Meeting

Article 89 provides that “The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra Ordinary General Meetings. The First Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the Financial Year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each Financial Year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

Every Annual General Meeting shall be called at a time during business hours between 9 a.m. and 6 p.m., on a day, that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city in, which the registered office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one

Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company shall be entitled to attend either in person or by Proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting, which he attends on any part of the business, which concerns him as Auditors. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited statement of Accounts), the proxy Register with proxies and the Register of Directors' Shareholding which later Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 88, 92, 129 and 137 of the Act."

Article 90 provides that "The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made. Further, 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 such a meeting as may be called by the Board."

Article 91 provides that "Any valid requisition so made by Members must state the object or objects of the Meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists."

Article 92 provides that "Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty one days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than forty five days from the date of deposit of the requisition, the requisitionists, may themselves call the meeting within a period of three months from the date of the requisition."

Article 94 provides that "Provisions pertaining to notice of a Shareholders meeting shall be in the manner set out in the Act."

Article 98 provides that "Requirements as to quorum at a general meeting shall be in accordance with the Act."

Article 101 provides that "The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such Meeting or if he is unable or unwilling to take the chair, then the members present shall elect another Director as Chairman and if no Director be present or if at all the Directors present decline to take the chair, then the Members present shall elect one of their numbers to be Chairman."

Article 102 provides that "No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is Vacant."

Article 103 provides that "The Chairman with the consent of the Members may adjourn any meeting from time to time and place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in case of the original meeting. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at the adjourned meeting."

Article 104 provides that "Provisions pertaining to voting at a General Meeting shall be in accordance with applicable law."

Votes of Members

Article 110 provides that "No member shall be entitled to vote either personally or by Proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, exercised any right of lien."

Article 111 provides that “Subject to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by to speak and vote at such Meeting, and on a show of hands every Member present in person (or being a body corporate present by a representative duly authorised) shall have one vote and upon a poll the voting right of every Member present in person (including a body corporate by a duly authorised representative) or by an agent duly authorized by a power of attorney or by Proxy shall be in proportion to his share of the paid-up equity share capital of the Company. If voting through electronic means is available, a Member may exercise his vote at a Meeting by electronic means in accordance with the section 108 and shall vote only once.

Provided, however, if any, preference shares holder be present at any Meeting of the Company, save as provided in Sub-Section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Provided further that holders of Shares issued pursuant to Article **Error! Reference source not found.** with differential voting rights, shall have rights to voting as per the terms and conditions of the said issue.”

Article 114 provides that “In the case of joint registered holders, the vote of the senior who tenders the vote, whether in person or by proxy shall be accepted to the exclusion of the other joint registered holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose these Articles be deemed joint holders thereof.”

Article 122 provides that “Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms prescribed under the Act and signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate be under the seal or be signed by any officer or attorney duly authorised by it.”

Directors

Article 128 provides that “Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debentures and Alternate Directors) shall not be less than three and more than fifteen

The Board may appoint an Alternate Director to act for a director (hereinafter called the “Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director is determined before he so returns to India, any provisions in the Act or in these Article for the automatic re-appointment of retiring Director in default or another appointment, shall apply to the Original Director and not to the Alternate Director.”

Article 132(3) provides that “Subject to these Articles, the fees payable to a Director (Other than Managing/whole-time Director/s) for attending a meeting of the Board or Committee thereof shall be such sum as may be determined by the Board of Directors within the limits as prescribed under the Act from time to time.”

Article 152(3) provides that “A person other than a Director re-appointed after retirement by rotation or immediately on expiry of his term of office, or an Additional or Alternate Director or a person filling casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office shall not act as a Director of the Company, unless he has within thirty days of appointment signed and filed with the Registrar his consent in writing to act as such Director.”

Managing Director

Article 155 provides that “Subject to the provisions of the Act and these Articles, the Board shall have power to appoint from time to time any of its number as Managing Director or Managing Directors or whole time Director or directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions

as the Board think fit.”

Article 156 provides that “Subject to the provisions of the Act, the Managing Director and/or the Whole time director shall not while he continues to hold that office, be subject to retire by rotation. He shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as may be applicable to the other Directors of the company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director, as the case may be, if he ceases to hold the office of Director for any reason.

Provided that if at any time the total number of Directors (including Managing Director and Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of Directors for the time being, then such of the Managing Directors or Whole-time Directors or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in accordance with the provisions of these Articles to the intent that the total number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of directors for the time being.”

Article 157 provides that “The Company shall not appoint or employ or continue the appointment or employment of a person as its Managing or Whole time Director who:

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent:
- (b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a composition with them; or
- (c) is or has at any time been convicted by a Court of an offence involving moral turpitude.”

Dividends

Article 177 provides that “The profits of the Company, subject to any special rights relating thereto created or authorised to be created subject to the Act, shall be divisible among the Members in proportion to the amount of capital paid-up or credited as paid up the shares held by them respectively.”

Article 178 provides that “The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board.”

Article 179 provides that

- (1) “No dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or part of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that:
 - (a) If the Company has not provided for depreciation for any previous Financial year or years it shall, before declaring or paying a dividend for any Financial Year, provide for such depreciation out of the profits of the Financial Year or out of the profits of any other previous Financial Year or Financial Years.
 - (b) If the company has incurred any loss in any previous Financial Year or Financial Years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act or against both.
- (2) The Company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the Company.

Provided that nothing in this clause shall be deemed to prohibit the voluntary transfer by a Company of a higher percentage of its profits to the reserves in accordance with such rules as may be made by the Central Government in this behalf.

- (3) Where owing to inadequacy or absence of profits in any financial year, the Company proposes to declare dividend out of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be prescribed in his behalf.

- (4) The Board may, before recommending any dividend, set aside out of the profits of the Company such terms 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 the provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (5) 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 accordingly to the amounts of the shares. No amount paid or credited as paid on a share. 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.
- (6) 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.
- (7) 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 case of joint holders, to the registered address of that one of the joint holders whose name is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent”

Article 190 provides that

- (a) “The Company in General Meeting, upon the recommendation of the Board, may resolve that any moneys, investment or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any capital Redemption Reserve Account or in the hands of the Company and available for dividend (or representing premiums received on the issue of securities and standing to the credit of the Securities Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed according or in or towards payment of the uncalled liability on any issued shares, debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalisation sum. Provided that a Securities Premium Account and a Capital Redemption Reserve Account may, for the purpose of this article, only be applied in the paying of any unissued shares to be issued to members of the Company so fully paid bonus shares.
- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for Income-tax be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fractions of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be delivered to the Registrar for registration in accordance with the provisions of Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.
- (d) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

- i. make all appropriations of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid securities; and
 - ii. generally do all acts and things required to give effect thereto.
- (e) The Board shall have full power-
- i. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also
 - ii. to authorise any person to enter on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts of any part of amounts remaining unpaid on their existing shares.
- (f) Any agreement made under such authority shall be effective and binding on all such Members.
- (g) For the purpose of giving effect to any resolution, under the preceding clause of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new quality shares and fractional certificates as they think fit.”

Article 204 provides that

- (a) “If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may, the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up, on the shares held by them respectively.
- (b) If on the winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed amongst the members (other than those not entitled to a share in the excess) in proportion to the capital at the commencement of the winding-up, or which ought have been paid up on the shares held by them respectively.
- (c) This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.”

Article 205 provides that

- (a) “If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the sanction, shall think fit. 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.
- (b) In case any share to be divided as aforesaid involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.
- (c) A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distributed amongst the members as may be provided therein, and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.”

Article 206 provides that “A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any

shares or other consideration receivable by the liquidator be distributed amongst the members as may be provided therein, and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.”

Indemnity and responsibility

Article 207 provides that

- (a) “Save and except so far as the provisions of this Article shall be avoided by Section 197 of the Act, the Board of Directors, Managing Director, Managers, Secretary and other officers or other employees for the time being of the Company, Auditor and the Trustees, if any, for the time being acting in relation to any of the affairs of the Company, and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from the against all actions, costs, charges, losses, damages and expenses which they or any of them, or their or any of their executors or administrators shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, their respective offices or trusts, except such, if any, as they shall incur or sustain through or by their own wilful neglect or default respectively.
- (b) Save and except so far as the provisions of this Articles shall be avoided by Section 197 of the Act, none of them shall be answerable for the acts, receipts, neglects, defaults of the others of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except when the same shall happen by or through their own dishonesty wilful neglect or default respectively.”

Article 208 provides that “Subject to the provisions of Section 197 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damages arising from the insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen by or through his own wilful neglect or default.”

PART B OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association includes the relevant rights and obligations of the parties to the Shareholders’ Agreement dated June 28, 2016 entered into between the Company, Griffin Partners Limited, FEL, Future Corporate Resources Limited, Kishore Biyani and Vijay Biyani.

Notwithstanding anything contained in the Articles of Association and subject to the Investor holding Equity Securities in the Company, the provisions of Part B shall apply and prevail over the provisions of Part A of the Articles of Association to the extent to which the provisions of Part A are inconsistent with or contrary to the provisions of Part B. In case of any inconsistency between Part B and the Companies Act, 2013 (the “Act”), the provisions of the Act shall prevail. However, Part B shall automatically terminate, be deleted and cease to have any force and effect upon the finalization of the basis of allotment of the shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the shares of the Company without any further action by the Company or its shareholders.

Definitions

In the interpretation of the Articles, unless repugnant to the subject context:

1. “**Anshuman Singh**” means resident of India having permanent residence at D-4505/06, Ashok Towers, Dr. B Ambedkar Road, Parel, Mumbai 400 012;

2. **“Effective Date”** means the date of acquisition of Equity Shares by the Investor from SKC 1 Limited;
3. **“Equity Shares”** means the fully paid-up equity shares of face value INR 10 (Rupees Ten) each of the Company;
4. **“FCRL”** means Future Corporate Resources Limited, a company incorporated under the (Indian) Companies Act, 1956, having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060;
5. **“Future Retail Limited”** means a company incorporated under the laws of India, and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060;
6. **“GTI Capital Gamma Private Limited”** means a company incorporated under the laws of Mauritius, and having its registered office situated at IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius;
7. **“Investor”** means Griffin Partners Limited, a company incorporated under the laws of Mauritius, having its registered office at C/o Globefin Management Services Ltd, 1st Floor Anglo-Mauritius House, Intendance Street, Port Louis, Mauritius.
8. **“KB”** means Kishore Biyani, resident of India having permanent residence at 406, Jeevan Vihar, Manav Mandir Road, Malabar Hill, Mumbai 400 006.
9. **“Promoter”** means Future Enterprises Limited, a company incorporated under the (Indian) Companies Act, 1956, having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060;
10. **“SKC1 Limited”** means a company incorporated under the laws of Mauritius, having its registered office at 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius; and
11. **“VB”** means Vijay Biyani, means resident of India having permanent residence at Flat No.3603, Vivarea Towers, B Wing, S. G. Marg, Jacob Circle, Mahalaxmi, Mumbai 400 011.

Transfer of Shares

Article 215 provides that till such time that the Investor holds at least 26% of the shareholding of the Company (on a Fully Diluted Basis), the Promoter shall not, without the prior written consent of the Investor directly or indirectly Transfer any Equity Securities or economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by the Company) held by it in the Company to any Person.

Nothing contained in Article 215 shall be applicable to any Transfer by the Investor or the Promoter (as the case may be) to a Person who is its Affiliate (Free Transferee), provided that:

- (i) the Promoter and/ or Future Retail Limited holds at least 26% (Twenty Six Percent) of the shares in the Company (on a Fully Diluted Basis);
- (ii) the Free Transferee shall execute a deed of adherence, in Agreed Form, simultaneously with and as a condition to such Transfer of Equity Securities;
- (iii) the Free Transferee shall be permitted to hold such Equity Securities in accordance with the provisions of Part B of these Articles, only till such time it remains an Affiliate of the Investor or the Promoter, as the case may be. In the event that such Free Transferee ceases to be an Affiliate of the Investor or the Promoter, as the case may be, the Investor/ Promoter shall cause the Free Transferee to Transfer all its Equity Securities to the Investor/Promoter or to its Affiliate subject once again to the conditions of this Article 215.1, to ensure continuous compliance with the provisions of Part B of these Articles; and
- (iv) the Investor or the Promoter (as the case may be) shall ensure that any consents required under Applicable Law are obtained prior to any transfer to the Free Transferee.

Tag-Along Rights

Article 215 further provides that subject to receipt of written consent from the Investor, if the Promoter or its Free Transferee (“**Offering Party**”) proposes to Transfer (directly or indirectly) all or a part of its Equity Securities to any Person (“**Third Party Purchaser**”), as a result of which the Promoter’s shareholding in the Company falls below 51% (on a Fully Diluted Basis), then the Investor shall have the right to participate in such sale with respect to the Equity Securities held by it in the manner prescribed in the Articles.

Exit Rights

Article 216 provides exit rights for the Investor as provided below:

1. **IPO and Third Party Sale:** The Investor shall be entitled to offer the Equity Securities held by it for sale in the IPO in priority to any proposed offer for sale by the Promoter (or any of its Affiliates). The Investor shall not, under any circumstances, be referred to or be considered as a ‘promoter’ of the Company (including, for the avoidance of doubt, a part of the ‘promoter group’) in connection with any IPO or any documents filed in connection therewith, unless mandatorily required under Applicable Law. Alternatively, the Shareholders and the Company shall use their best endeavours to identify a Person(s) (“**Secondary Purchaser**”) for sale of any or all of the Equity Securities held by the Investor to such Secondary Purchaser.
2. **Put Option:** The Promoter and FCRL, and the Individual Obligors, jointly and severally, grant to the Investor an option to sell to the Corporate Obligors, and the Individual Obligors, respectively, and require the Corporate Obligors and the Individual Obligors, respectively, to purchase from the Investor any or all of the Put Option Securities in accordance with the terms and conditions of Part B of the Articles (“**Put Option**”). The Investor may exercise the Put Option as many times as it sees fit until the Investor ceases to hold any Equity Securities.
3. **Drag Along Right:** At any time after the Exit Deadline, and only if the Corporate Obligors and the Individual Obligors fail to honour their respective Put Option obligations, then the Investor shall have the right (exercisable at its discretion) (“**Drag-Along Right**”) to require the Promoter (and its Affiliates) to Transfer all (and not less than all) of the Equity securities held by the Promoter (and its Affiliates) to any Person along with all the Equity Securities held by the Investor in a manner set out in the Article.

Corporate Governance

Article 217 provides that the Investor shall have the right to nominate maximum two Directors on the Board of the Company. Further, if the Investor has not exercised its right to appoint any Director that it is entitled to appoint, the Investor shall have the right to appoint an observer to the Board, who shall be entitled to attend and speak, but not vote, at all Board Meetings and committees of the Board. In the event that shareholding of the Investor reduces: (i) below 26% (on a Fully Diluted Basis), it shall have the right to nominate only one Director; and (ii) below 10% (on a Fully Diluted Basis), it shall not have the right to nominate any Director.

Additionally, as long as the Investor holds 26% shareholding in the Company (on a Fully Diluted Basis), the Investor shall have a right to appoint one Director on the Audit Committee of the Company.

Reserved Matters

Article 218 stipulates the Investor Reserved Matters as follows:

A. Investor Reserved Matters

As long as the Investor holds at least 26% of shareholding of the Company (on a Fully Diluted Basis), prior written approval of the Investor shall be required for the following Reserved Matters:

- (a) Establish any employee shares or stock option plan or security option or other similar scheme or arrangement or benefit plan (“**ESOP Plan**”), for any director, officer or employee of the Company, or any variation of the terms of any such established scheme, except for establishing any ESOP Plan along with other ESOP Plans existing as on the Effective Date, in the aggregate, up to 5% of the shareholding of the Company (calculated on a fully diluted basis) issued at a price equal to or higher than the Fair Market Value.

- (b) Recommendation of declaration of any dividend or payment of dividends or making any other distributions on any Equity Securities, whether by way of dividends, bonus shares or otherwise.
- (c) Acquisition of shares, securities, assets (including intangible assets or intellectual properties), liabilities, business, business organization or division of any other Person for a value (in each case) in excess of 30% of the net worth of the Company in the Financial Year immediately preceding the date of the acquisition.
- (d) Sale, transfer, or disposal of, any assets (including divestment of shares or securities of any Subsidiary, any intangible assets or intellectual property) or undertakings of the Company where value of such assets or undertakings is in excess of 20% of the net worth of the Company in the Financial Year immediately preceding the date of the sale.
- (e) Creation of any Subsidiaries, or establishment of a joint venture / partnerships.
- (f) Other than in the ordinary course of business, advance any loan to any Person (including the employees of the Company), or enter into any guarantee, indemnity or surety contract or any arrangement of a similar nature in favour of or for the benefit of any Person of a value in excess of ₹ 50 million. It is hereby clarified that the inter-corporate deposit of the Company of ₹ 150 million as on December 31, 2015 shall not be considered within the limit of ₹ 50 million as mentioned hereinabove.
- (g) Any deviation of more than 20% of the borrowing limit provided in the Budget.
- (h) Any material change in or cessation of the Business.
- (i) Commencement of a new line of business.
- (j) Any matters under the Act that require the approval of the shareholders by a special resolution.
- (k) Any change in the CFO.

B. Investor Minority Reserved Matters

As long as the Investor holds at least 10% of the shareholding of the Company (on a Fully Diluted Basis), prior written approval of the Investor shall be required for the following Reserved Matters:

- (a) Any actions undertaken towards an IPO which is not in accordance with Part B of the Articles.
- (b) Any issuance of Equity Securities of the Company at a price below the Fair Market Value.
- (c) Amendments or any proposal to amend the Charter Documents which has an adverse effect on the Investor.
- (d) Any material changes to accounting or tax policies or practices or changing the internal or statutory auditors apart from an Approved Firm of the Company.
- (e) Authorise or enter into any merger, amalgamation de-merger, spin-off, restructuring or reorganization of the Company or any undertaking thereof, or any dissolution, winding up or liquidation of the Company.
- (f) Creation of any Encumbrance on the assets of the Company, other than in the ordinary course of business.
- (g) Enter into a new agreement with a Related Party for provision of services or renew an agreement with a Related Party, on terms that are not similar to the existing agreements of the Company with a Related Party for provision of same or similar services (Existing RPTS), take any actions towards terminating any existing arrangements with the Promoter, Future Retail Limited, Future Consumer Enterprise Limited, Future Corporate Resources Limited, Future Lifestyle Fashions Limited, except that the prior written consent of the Investor shall not be required to enter into any new agreement or amend terms of existing agreements with Related Parties to provide for discounts for larger volumes of business in line with industry standards.

Pre-Emption Rights

Article 220 provides that if the Company proposes to issue any Equity Securities of any type or class to any Persons other than in an IPO (such issuance, the “**Proposed Issuance**”), then the Company shall provide the Investor the right to subscribe its Pro Rata Share of the Proposed Issuance on the same terms and conditions as offered to the Proposed Recipient.

PART C OF THE ARTICLES OF ASSOCIATION

Part C of the Articles of Association includes the relevant rights and obligations of the parties to the Securities Subscription Cum Shareholders Agreement dated April 30, 2015 entered into between GTI Capital Gamma Pvt. Ltd., the Company and FEL.

Notwithstanding anything contained in Part A of the Articles of Association, the provisions of Part C shall apply and prevail over the provisions of Part A of the Articles of Association to the extent to which the provisions of Part A are inconsistent with or contrary to the provisions of Part C. In case of any inconsistency between the Part C and the Act, the provisions of the Act shall prevail and in case of inconsistency between Part B and Part C, the provisions of Part B shall apply. However, Part C shall automatically terminate, be deleted and cease to have any force and effect upon the finalization of the basis of allotment of the shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the shares of the Company without any further action by the Company or its shareholders.

Definitions

In the interpretation of the Articles, unless repugnant to the subject context:

1. “**Compulsorily Convertible Debentures**” or “**CCDs**” shall mean the compulsorily convertible debentures issued by the Company to the Subscriber and having par value of ₹ 10,000 per compulsorily convertible debenture;
2. “**Investor**” means Griffin Partners Limited, a company incorporated under the laws of Mauritius, having its registered office at C/o Globefin Management Services Ltd, 1st Floor Anglo-Mauritius House, Intendance Street, Port Louis, Mauritius;
3. “**Promoter**” means Future Enterprises Limited, a company incorporated under the (Indian) Companies Act, 1956, having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060; and
4. “**Subscriber**” means GTI Capital Gamma Private Limited.

Transfer Restrictions

Article 224 stipulates the transfer restrictions as under:

1. **Lock-in Period:** The Subscriber unconditionally and irrevocably undertakes that it shall not, till October 15, 2017 (in the event the Company does not file Red Herring Prospectus with SEBI for initial public offering of the Equity Shares by October 15, 2017) or till March 31, 2018 (in the event the Red Herring Prospectus is filed by October 15, 2017 but the Equity Shares are not listed on a recognized stock exchange in India by March 31, 2018), as the case may be, sell, Transfer, create, or allow the creation of any Lien over, or otherwise dispose off, or deal with any interest in CCDs or the Equity Shares to any Person, save and accept the Transfer of CCDs or Equity Shares by the Subscriber to an Affiliate, without the prior written consent of the Promoter and other than in accordance with the Articles.
2. **Right of First Refusal:** In the event the Subscriber proposes to Transfer its CCDs or Equity Shares (“**Transfer Securities**”) directly or indirectly to a third party (other than its Affiliate) (“**Proposed Transferee**”) on or before October 15, 2017 (in the event the Company does not file Red Herring Prospectus with SEBI for initial public offering of the Equity Shares by October 15, 2017) or till March 31, 2018 (in the event the Red Herring Prospectus is filed by October 15, 2017 but the Equity Shares are not listed on a recognized stock exchange in India by March 31, 2018), as the case may be, the Subscriber

shall first offer the Transfer Securities (“**ROFR Offer**”) to the Promoter and the Investor in proportion of 60:40 by sending a written notice (“**ROFR Notice**”) and the ROFR Notice shall state:

- a. terms of the proposed Transfer to the Proposed Transferee, including the name and address of the Proposed Transferee;
 - b. the number of Transfer Securities to be transferred;
 - c. the asking price per Transfer Security;
 - d. the date by which the Offer must be accepted (which must be no earlier than 30 (thirty) days after the date on which the Transfer Notice is delivered);
 - e. payment terms; and
 - f. any other necessary and relevant terms.
3. **Right of First Offer:** If the Subscriber desires to sell any of the CCDs or Equity Shares held by it after October 15, 2017 or March 31, 2018, as the case may be, the Subscriber shall first offer such CCDs or Equity Shares (“**ROFO Securities**”) to the Promoter and the Investor in proportion of 60:40 by issuing a written notice to the Promoter and the Investor of the Subscribers’ desire to Transfer the CCDs or Equity Shares held by the Subscriber. The Promoter and the Investor shall be required to notify the Subscriber in writing (“**Subscriber Notice**”) of either: (a) the acceptance of the ROFO along with the sale price and sale terms, or (b) the refusal to purchase the ROFO Securities, within thirty days of ROFO Notice being issued by the Subscriber.

Tag-Along Rights

Article 225 provides that In the event the Promoter proposes to transfer any of the Equity Shares held in the Company to any person and pursuant to such transfer the Promoter ceases to have Management Control of the Company, the Promoter shall send a notice giving details of Offered Shares proposed to be transferred and terms of proposed transfer to the Subscriber (the “**Notice**”). Within thirty days of receipt of the Notice (the “**Offer Period**”), the Subscriber may send a notice (the “**Tag Along Notice**”) to the Promoter requiring the Selling Shareholder to cause the Proposed Buyer to purchase all Equity Shares or CCDs held by the Subscriber, and as specified in the Tag Along Notice at the price determined in accordance with the Articles.

Drag-Along Rights

In the event the Promoter proposes to transfer such number of Equity Shares held in the Company to a person other than the existing shareholders of the Company and which transfer results into the Promoter ceasing to have Management Control of the Company and Subscriber does not exercise its Tag-Along Rights, in such event the Promoter may at its sole discretion require the Subscriber to Transfer all CCDs or Equity Shares of the Company held by such Subscriber at the price determined in accordance the Articles.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this 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, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Registrar Agreement dated August 23, 2017 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.
2. Offer Agreement dated August 23, 2017 entered into between our Company, the Selling Shareholders and the Lead Managers.
3. Cash Escrow Agreement dated November 23, 2017 entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the Lead Managers, the Escrow Collection Bank and the Syndicate Members.
4. Share Escrow Agreement dated November 20, 2017 entered into between the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated November 23, 2017 entered into between our Company, the Selling Shareholders and the members of the Syndicate.
6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders, and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated March 8, 2006 and certificate of commencement dated March 31, 2006.
3. Fresh certificate of incorporation dated October 23, 2009 pursuant to change of name from Future Logistic Solutions Limited to Future Supply Chain Solutions Limited.
4. Audited financial statements for the six months ended September 30, 2017 and annual reports of our Company for Fiscals 2017, 2016, 2015, 2014 and 2013;
5. Appointment letter dated August 5, 2017 in respect of appointment of Mayur Toshniwal as the Managing Director and CEO.
6. Scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956, of FSC Brand with our Company.
7. Securities Subscription Cum Shareholders Agreement dated April 30, 2015 entered into between GTI Capital Gamma Pvt. Ltd., our Company and FEL (collectively, the “Parties”), the Amendment Agreement dated August 22, 2017 and the Second Amendment Agreement dated November 14, 2017 entered into between the Parties.

8. Shareholders' Agreement dated June 28, 2016 entered into between our Company, Griffin Partners Limited, FEL, Future Corporate Resources Limited, Future Retail Limited, Kishore Biyani and Vijay Biyani (collectively, the "**Parties**"), Deed of Adherence dated September 14, 2016 and the Amendment Agreement dated August 22, 2017 entered into between the Parties.
9. Supplemental Agreement dated November 17, 2017 to the Original Griffin SHA and the Griffin Amendment Agreement entered into between Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL, Suhani Trading and Investments Consultants, FRL, Kishore Biyani and Vijay Biyani and Share Purchase Agreement dated November 17, 2017 entered into between Griffin, Edelweiss Crossover Opportunities Fund and EW Clover Scheme, FEL and our Company.
10. Corporate guarantee amounting to ₹ 72.80 million given by FEL in respect of a loan availed by Galaxy Entertainment Corporation Limited.
11. Corporate guarantee amounting to ₹ 41,525 million given by FEL in respect of a loan availed by Future Retail Limited.
12. Resolution of the Board of Directors dated June 27, 2017 in relation to the Offer and other related matters.
13. Resolution dated August 18, 2017 passed by the board of directors of the Investor Selling Shareholder approving the Offer for Sale for the Equity Shares offered by it.
14. Resolution dated August 7, 2017 passed by the board of directors of the Promoter Selling Shareholder approving the Offer for Sale for the Equity Shares offered by it.
15. The examination report dated November 14, 2017 of the Auditors, on our Company's Restated Financial Statements included in this Red Herring Prospectus.
16. Consent letter from the Auditors dated November 15, 2017 for inclusion of their name as experts.
17. Consent letter from Kewal Chand Jain & Company, valuer and chartered engineer, dated August 12, 2017 and from R Jangir & Co., Chartered Accountants dated November 9, 2017 for inclusion of their name as experts.
18. The Statement of Tax Benefits dated November 15, 2017 from the Auditors.
19. Report entitled "*Future of Organised Logistics in India – Contract, Express and Cold Chain*" dated August 14, 2017 prepared by Alvarez & Marsal India Private Limited.
20. Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Auditors, Indian Legal Counsel to our Company, Indian Legal Counsel to the Lead Managers, International Legal Counsel to the Lead Managers, Bankers to our Company, the Lead Managers, the Syndicate Members, Alvarez & Marsal India Private Limited, Escrow Collection Bank, Banker to the Offer, Refund Bank, the Registrar to the Offer, to act in their respective capacities.
21. Due Diligence Certificate dated August 23, 2017 addressed to SEBI from the Lead Managers.
22. In-principle listing approvals dated September 15, 2017 and September 21, 2017 issued by BSE and NSE, respectively.
23. Tripartite agreement dated July 13, 2017 among our Company, NSDL and the Registrar to the Offer.
24. Tripartite agreement dated June 26, 2014 among our Company, CDSL and the Registrar to the Offer.
25. SEBI observation letter no. SEBI/HO/CFD/DIL-1/OW/P/26362/2017 dated October 26, 2017.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, SCRR, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Rakesh Biyani

(Chairman and Non-Executive Director)

Mayur Toshniwal

(Managing Director)

Chandra Prakash Toshniwal

(Non-Executive Director)

Shyam Maheshwari

(Nominee, Non-Executive Director)

Bala Deshpande

(Independent Director)

Janat Shah

(Independent Director)

Rahul Garg

(Independent Director)

Amar Sapra

(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Kailash Chand Sharma

(Chief Financial Officer)

Place: Mumbai

Date: November 27, 2017

DECLARATION

The undersigned Investor Selling Shareholder hereby certifies that all statements and undertakings made by it in this Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct, provided however, the undersigned Investor Selling Shareholder assumes no responsibility for any statements made by the Company, the Promoter Selling Shareholder, any expert or any other person(s), in this Red Herring Prospectus.

Signed by the Investor Selling Shareholder

For **Griffin Partners Limited**

Name: Vishwanand Nursimloo

Designation: Director

Place: Mumbai

Date: November 27, 2017

DECLARATION

The undersigned Promoter Selling Shareholder hereby certifies that all statements and undertakings made by it in this Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct, provided however, the undersigned Promoter Selling Shareholder assumes no responsibility for any statements made by the Company, the Investor Selling Shareholder, any expert or any other person(s), in this Red Herring Prospectus.

Signed by the Promoter Selling Shareholder

For Future Enterprises Limited

Name: Dinesh Maheshwari

Designation: Executive Director & CFO

Place: Mumbai

Date: November 27, 2017