



## SNOWMAN LOGISTICS LIMITED

We were incorporated as Snowman Frozen Foods Limited, a public limited company under the Companies Act, 1956 in Kochi, Kerala. We were granted a certificate of incorporation on March 17, 1993 and a certificate of commencement of business on May 31, 1993. Subsequently, on March 17, 2011, our name was changed to Snowman Logistics Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies at Bangalore, Karnataka.

**Registered Office:** Sy. No. 36/1, Virgonagar, Old Madras Road, Bandapura Village, Bidarehalli Hobli, Bengaluru 560 049, Karnataka, India. For further details of change in the name and registered office of our Company please see chapter entitled 'History and Certain Corporate Matters' on page 140 of this Prospectus.

**Contact Person:** Mr. Sundar Mangadu Agaram, Chief Financial Officer, Company Secretary and Compliance Officer **Tel:** +91 80 3993 9500 **Fax:** +91 80 3993 9500

**Email:** investorrelations@snowman.in **Website:** www.snowman.in

### OUR PROMOTER: GATEWAY DISTRI PARKS LIMITED

**PUBLIC ISSUE OF 42,000,000 EQUITY SHARES OF A FACE VALUE OF ₹10 EACH OF SNOWMAN LOGISTICS LIMITED (COMPANY OR ISSUER) FOR CASH AT A PRICE OF ₹ 47 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 37 PER EQUITY SHARE) AGGREGATING ₹1,974,000,000 MILLION (ISSUE). THE ISSUE CONSTITUTES 25.23% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. THE FACE VALUE OF THE EQUITY SHARES IS ₹10 AND THE ISSUE PRICE IS 4.7 TIMES OF THE FACE VALUE.**

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (SCRR), this is an Issue for at least 25% of the post-Issue capital of our Company. The Issue is being made under Regulation 26(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and through a Book Building Process wherein at least 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyer (QIB) Bidders. 5% of the QIB Portion (excluding 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, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. QIBs (other than Anchor Investors) and Non-Institutional Bidders should compulsorily participate in the Issue through the Application Supported by Blocked Amount (ASBA) process providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) to the extent of the Bid Amount for the same. Retail Individual Bidders may also participate in the Issue through the ASBA process. For details, please see the chapter entitled 'Issue Procedure' on page 333 of this Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Issue Price is 4.7 times of the face value. The Issue Price (which has been determined and justified by the BRLM and our Company as stated under the chapter entitled 'Basis for Issue Price' on page 104 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### IPO GRADING

The Issue has been graded by CRISIL Limited as 4/5, indicating that the fundamentals of the Issue are above average in relation to other listed equity securities in India. The IPO grading is assigned on a five point scale from 1 to 5 with IPO grade 5/5 indicating strong fundamentals and IPO grade 1/5 indicating scar fundamentals. For further details, please see the chapter entitled 'General Information' on page 51 of this Prospectus. The IPO Grading Report issued by CRISIL Limited will form a part of the Material Contracts and Documents for Inspection.

### GENERAL RISKS

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (SEBI), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section entitled 'Risk Factors' on page 15 of this Prospectus.

### COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered and issued through the Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from each of the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 11, 2013 and September 27, 2013, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE.

### BOOK RUNNING LEAD MANAGER



**HDFC Bank Limited**  
Investment Banking Group, Unit No, 401 & 402, 4th Floor,  
Tower B, Peninsula Business Park,  
Lower Parel, Mumbai 400 013  
Tel: +91 22 3395 8015  
Fax: +91 22 3078 8584  
Email: slipo@hdfcbank.com  
Investor grievance email: investor.redressal@hdfcbank.com  
Website: www.hdfcbank.com  
Contact Person: Mr. Amit Kumar Singh  
SEBI Registration No.: INM000011252

### REGISTRAR TO THE ISSUE



**Link Intime India Private Limited**  
C 13, Pannalal Silk Mills Compound  
LBS Marg, Bhandup (West)  
Mumbai – 400 078  
Maharashtra, India  
Tel No.: +91 22 2596 7878  
Fax No.: +91 22 2596 0329  
Investor Grievance Email: sl.ipo@linkintime.co.in  
Website: www.linkintime.co.in  
Contact Person: Mr. Sachin Achar  
SEBI Registration No.: INR 0000 04058

### BID/ISSUE PROGRAMME

| FOR ALL BIDDERS*      | ISSUE OPENED ON | AUGUST 26, 2014 |
|-----------------------|-----------------|-----------------|
| FOR ALL OTHER BIDDERS | ISSUE CLOSED ON | AUGUST 28, 2014 |

\*The Anchor Investor Bid / Issue Period opened and closed on August 25, 2014.

A copy of this Prospectus and written consents of Bankers to our Company, Bankers to the Issue, Book Running Lead Manager, Registrar to the Issue, the Statutory Auditors, Legal Counsel to our Company, Legal Counsel to the BRLM, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities. Consent of the Syndicate Member, Escrow Collection Banks, Refund Bank and IPO Grading Agency has been delivered to the Registrar of Companies, Bengaluru, in terms of Section 26 of the Companies Act along with the requisite endorsed/certified copies of all requisite documents. For further details please refer to the chapter entitled "Material Contracts and Documents for Inspection" on page 430.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context indicates otherwise, the following terms have the meanings given below. Reference to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

#### Company/Issuer Related Terms

| Term                                                              | Description                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Company”, “the Issuer”, “Snowman Logistics”, “we”, “our” or “us” | Snowman Logistics Limited                                                                                                                                                                                                                                        |
| Corporate Office                                                  | 54, Old Madras Road, Virgonagar, Bengaluru - 560 049, Karnataka, India                                                                                                                                                                                           |
| Articles of Association                                           | The Articles of Association of our Company                                                                                                                                                                                                                       |
| Auditors / Statutory Auditors                                     | Price Waterhouse, Chartered Accountants, our statutory auditors                                                                                                                                                                                                  |
| Board / Board of Directors                                        | The board of directors of our Company or any duly constituted committee of the Board of Directors                                                                                                                                                                |
| Director                                                          | A director of our Company                                                                                                                                                                                                                                        |
| Equity Shares                                                     | Equity Shares of our Company with face value of ₹10 each                                                                                                                                                                                                         |
| Equity Shareholders                                               | A holder of Equity Shares of our Company                                                                                                                                                                                                                         |
| GDL                                                               | Gateway Distriparks Limited, our Promoter, a company incorporated under the Companies Act, 1956 and having its registered office at Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai 400 707, India                                                |
| GRFL                                                              | Gateway Rail Freight Limited                                                                                                                                                                                                                                     |
| Group Companies                                                   | Companies, firms, ventures etc. promoted by our Promoter, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act, 1956 or not and disclosed in the chapter entitled ‘Our Group Companies’ on page 172 of this Prospectus |
| IFC                                                               | International Finance Corporation, an international organization established by Articles of Agreement among its member countries including India                                                                                                                 |
| MC                                                                | Mitsubishi Corporation, a company organized under the laws of Japan and having its principal place of business at 3-1, Marunouchi, 2-Chome Chiyoda-ku, Tokyo- 100 8086, Japan                                                                                    |
| Memorandum of Association                                         | The Memorandum of Association of our Company                                                                                                                                                                                                                     |
| MLC                                                               | Mitsubishi Logistics Corporation, a company organized under the laws of Japan and having its principal office of business at 19-1, Nihonbashi 1 Chome, Chuo-ku, Tokyo 103-8630, Japan                                                                            |
| Nichirei                                                          | Nichirei Logistics Group Inc., a company organized under the laws of Japan and having its principal place of business at Sumitomofudosan Tsukiji Building 4F, Tsukiji 7- Chome, Chuo-ku, Tokyo 104-0045, Japan                                                   |
| NVP                                                               | Norwest Venture Partners VII-A Mauritius, a company organized under the laws of the Republic of Mauritius and having its principal place of business at International Financial Services Limited, IFS Court, 28 Cybercity, Ebene, Republic of Mauritius          |
| Promoter                                                          | GDL                                                                                                                                                                                                                                                              |
| Promoter Group                                                    | Such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations and are disclosed in the chapter entitled ‘Our Promoter and Promoter Group’ on page 164 of this Prospectus                 |
| Registered Office                                                 | Sy. No. 36/1, Virgonagar, Old Madras Road, Bandapura Village, Bidarehalli Hobli, Bengaluru 560 049, Karnataka, India                                                                                                                                             |
| Shareholders’ Agreement                                           | The Amended and Restated Shareholders Agreement dated June 14, 2013, amongst our Company, GDL, MC, MLC, Nichirei, IFC and NVP                                                                                                                                    |
| RoC                                                               | Registrar of Companies, E-wing 2 <sup>nd</sup> Floor Kendriya Sadana, Kormangala, Bengaluru-560034, Karnataka                                                                                                                                                    |

## Issue Related Terms

| Term                                          | Description                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allot/Allotted Allotment                      | Allotment of Equity Shares pursuant to the Issue to successful Bidders                                                                                                                                                                                                                                                                                                           |
| Allottee                                      | A successful Bidder to whom the Equity Shares are Allotted                                                                                                                                                                                                                                                                                                                       |
| Allotment Advice                              | In relation to Bidders other than Anchor Investors, the note or advice or intimation of Allotment sent to the Bidders after the Basis of Allotment has been approved by the Designated Stock Exchange                                                                                                                                                                            |
| Anchor Investor                               | A Qualified Institutional Buyer, applying under the Anchor Investor Portion with a minimum Bid of ₹ 100 million                                                                                                                                                                                                                                                                  |
| Anchor Investor Bid Date                      | The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted. No bid will be accepted from Anchor Investors prior to, or after, the Anchor Investor Bid Date                                                                                                                                                               |
| Anchor Investor Issue Price                   | The final price, being ₹47 per equity share at which Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus                                                                                                                                                                                                                |
| Anchor Investor Portion                       | Up to 30% of the QIB Portion which may be allocated by our Company in consultation with the BRLM 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 Anchor Investors |
| Application Supported by Blocked Amount/ASBA  | An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non Institutional Bidders participating in the Issue                                                              |
| ASBA Account                                  | An account maintained with an SCSB and specified in the Bid-cum-Application-Form submitted by ASBA Bidders for blocking the amount mentioned in the Bid cum Application Form                                                                                                                                                                                                     |
| ASBA Bid                                      | A Bid made by an ASBA Bidder                                                                                                                                                                                                                                                                                                                                                     |
| ASBA Bidder                                   | Prospective investors (other than Anchor Investors) in the Issue who intend to Bid/apply through the ASBA process                                                                                                                                                                                                                                                                |
| Bankers to the Issue /Escrow Collection Banks | The banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being HDFC Bank Limited and Yes Bank Limited                                                                                                                                                                                  |
| Basis of Allotment                            | The basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the chapter entitled 'Issue Procedure' on page 333                                                                                                                                                                                                             |
| Bid/Bidding                                   | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto                          |
| Bid Amount                                    | The highest value of optional Bids indicated in the Bid cum Application Form.                                                                                                                                                                                                                                                                                                    |
| Bid cum Application Form                      | The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus                                                                                                                                                                                                          |
| Bid/Issue Closing Date                        | Except in relation to any Bids received from Anchor Investors, the date after which the Syndicate and the Designated Branches of the SCSBs will not accept any Bids, which shall be notified in two national daily newspapers, one each in English and Hindi, and in a newspaper in Kannada, each with wide circulation.                                                         |
| Bid/Issue Opening Date                        | Except in relation to any Bids received from Anchor Investors, the date on which the Syndicate and the Designated Branches of the SCSBs shall start accepting Bids, which shall be notified in two national daily newspapers, one each in English and Hindi, and in a newspapers in Kannada, each with wide circulation                                                          |
| Bid/Issue Period                              | Except in relation to Anchor Investors, the period between the Bid/Issue                                                                                                                                                                                                                                                                                                         |

| Term                                  | Description                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                       | Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof                                                                                                                                                                                                                        |
| Bid Lot                               | 300 Equity Shares and in multiples of 300 Equity Shares thereafter                                                                                                                                                                                                                                                                                                                  |
| Bidder                                | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form                                                                                                                                                                                                                                                       |
| Book Building Process/Method          | Book building process, as provided in Part A of Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made                                                                                                                                                                                                                                                 |
| BRLM/Book Running Lead Manager        | The book running lead manager to the Issue i.e. HDFC Bank                                                                                                                                                                                                                                                                                                                           |
| Broker Centres                        | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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.                                                             |
| CAN / Confirmation of Allocation Note | Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the discovery of the Anchor Investor Issue Price, including any revisions thereof                                                                                                                                                                        |
| Cap Price                             | The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted                                                                                                                                                                                                                                                        |
| Controlling Branches                  | Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a>                                                                                                                                               |
| Cut-off Price                         | Issue Price, finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders 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/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 shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a>                                                                                                                                                           |
| Designated Date                       | The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, 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 shall Allot the Equity Shares to successful Bidders in the Issue |
| Designated Stock Exchange             | NSE is the designated stock exchange                                                                                                                                                                                                                                                                                                                                                |
| Draft Red Herring Prospectus or DRHP  | The draft red herring prospectus dated August 29, 2013, filed with SEBI, prepared in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue                                                                                                                      |
| Eligible NRI(s)                       | NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus will constitute an invitation to subscribe to the Equity Shares                                                                                                                                                  |
| Eligible QFIs                         | QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus will constitute an invitation to subscribe the Equity Shares offered and who have opened demat accounts with SEBI registered qualified depository participants                                                |
| Escrow Account                        | Account opened with the Escrow Collection Banks and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid                                                                                                                                                                                        |
| Escrow Agreement                      | Agreement dated August 7, 2014, entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, the Escrow Collection Banks and the Refund Bank for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding the ASBA                                                                              |

| Term                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                     | Bidders) are made on the terms and conditions thereof                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Floor Price                         | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| HDFC Bank                           | HDFC Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| IPO Grading Agency                  | CRISIL Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Issue                               | The public issue of 42,000,000 Equity Shares for cash at a price of ₹ 47 each, aggregating to ₹ 1,974,000,000 million                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Issue Agreement                     | The agreement entered into on August 29, 2013 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Issue Price                         | The final price being ₹47 at which Equity Shares will be Allotted in terms of the Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Issue Proceeds                      | The proceeds of the Issue that will be available to our Company pursuant to the final listing and trading approval                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Mutual Fund Portion                 | 5% of the QIB Portion (excluding the Anchor Investor Portion), or 1,102,500 Equity Shares which shall be available for allocation to Mutual Funds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Mutual Funds                        | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Net QIB Portion                     | The QIB Portion less Equity Shares allotted to the Anchor Investor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Net Proceeds                        | Proceeds of the Issue less Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, please see the chapter entitled ' <i>Objects of the Issue</i> ' on page 79 of this Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Non-Institutional Bidders           | All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs). Foreign Portfolio Investors indicating category III foreign portfolio investors shall be eligible to invest under the Non-Institutional Portion.                                                                                                                                                                                                                                                                                                                                   |
| Non-Institutional Portion           | The portion of the Issue being not more than 15% of the Issue consisting of 6,300,000 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 Issue Price                                                                                                                                                                                                                                                                                                                                                                                                   |
| Non-Resident                        | A person resident outside India, as defined under FEMA and includes, FIIs registered with SEBI, FPIs registered with SEBI and FVCIs registered with SEBI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Price Band                          | Price Band of a minimum price of ₹ 44 per Equity Share (Floor Price) and the maximum price of ₹ 47 per Equity Share (Cap Price) and include revisions thereof to. The Price Band and the minimum Bid Lot determination was made by our Company in consultation with the BRLM and was advertised, five Working Days prior to the Bid/Issue Opening Date, in all editions of an English national daily Financial Express, in all editions of a Hindi national daily Jansatta and the Bangalore edition of Kannada national daily Vijawavani (Kannada also being the regional language at the place where the Registered Office is located), each with wide circulation. |
| Pricing Date                        | The date on which our Company, in consultation with the BRLM finalised the Issue Price i.e. August 30, 2014.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Prospectus                          | The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, containing, <i>inter alia</i> , the Issue Price, the size of the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Public Issue Account                | Account opened with HDFC Bank Limited, a Banker to the Issue under Section 40 of the Companies Act to receive monies from the Escrow Account and from the SCSBs on the Designated Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| QIB Portion                         | The portion of the Issue being not less than 75% of the Issue consisting of 31,500,000 Equity Shares which shall be available for allocation to QIBs (including Anchor Investors)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Qualified Foreign Investors or QFIs | A person who has opened a dematerialised account with a Qualified Depository Participant as a Qualified Foreign Investor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Qualified Institutional Buyers      | Qualified institutional buyers as defined under Regulation 2(1)(zd) of the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Term                                                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| or QIBs                                                          | SEBI ICDR Regulations                                                                                                                                                                                                                                                                                                                                                                                                             |
| Red Herring Prospectus or RHP                                    | The Red Herring Prospectus dated 7 August 2014 and issued in accordance with Section 32 of the Companies Act and the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue.                                                                                                                                                               |
| Refund Account                                                   | The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to the ASBA Bidders) shall be made                                                                                                                                                                                                                                                                  |
| Refund Bank                                                      | HDFC Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Refunds through electronic transfer of funds                     | Refunds through NECS, direct credit, RTGS or NEFT, as applicable                                                                                                                                                                                                                                                                                                                                                                  |
| Registrar to the Issue /Registrar                                | Registrar to the Issue i.e. LinkIntime India Private Limited                                                                                                                                                                                                                                                                                                                                                                      |
| Restated Financial Information or restated financial information | Restated financial information of our Company included in the section entitled ' <i>Financial Statements of our Company</i> ' on page 180 of this Prospectus                                                                                                                                                                                                                                                                      |
| Retail Individual Bidder(s)                                      | Individual Bidders who have Bid for Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)                                                                                                                                                                              |
| Retail Portion                                                   | The portion of the Issue being not more than 10% of the Issue consisting of 4,200,000 Equity Shares, the allotment of which shall not be less than the minimum bid lot and the remaining shall be available for allocation on a proportionate basis to Retail Individual Bidder(s)                                                                                                                                                |
| Revision Form                                                    | The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)                                                                                                                                                                                                                                        |
| Self Certified Syndicate Bank(s) or SCSB(s)                      | A banker to the Issue registered with SEBI, which offers the facility of ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a>                                                                                                                                                                                                                                 |
| Specified Cities                                                 | Cities specified in the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Baroda and Surat                                                                                                                                                                                                                               |
| Syndicate Agreement                                              | Agreement dated August 7, 2014 entered into amongst the Syndicate, our Company and the Registrar to the Issue in relation to the collection of Bids in the Issue (excluding Bids from the Bidders applying through ASBA process)                                                                                                                                                                                                  |
| Syndicate Member                                                 | HDFC Securities Limited                                                                                                                                                                                                                                                                                                                                                                                                           |
| Syndicate/ members of the Syndicate                              | The BRLM and the Syndicate Member                                                                                                                                                                                                                                                                                                                                                                                                 |
| TRS/Transaction Registration Slip                                | The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid                                                                                                                                                                                                                                                                                 |
| Underwriters                                                     | The BRLM and the Syndicate Member                                                                                                                                                                                                                                                                                                                                                                                                 |
| Underwriting Agreement                                           | The agreement amongst the Underwriters, our Company and the Registrar to the Issue dated August 30, 2014                                                                                                                                                                                                                                                                                                                          |
| Working Day                                                      | Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays in Delhi or Mumbai in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 |

### Technical/Industry Related Terms /Abbreviations

| Term                     | Description                                                                                                        |
|--------------------------|--------------------------------------------------------------------------------------------------------------------|
| 3PL                      | Third Party Logistics                                                                                              |
| Ambient Distribution     | Transportation of goods / products at normal temperatures                                                          |
| Bulk breaking            | Converting a stored material into smaller lots                                                                     |
| Blast Freezing           | The process of rapidly bringing down the temperature of products                                                   |
| CFC                      | Chlorofluorocarbons                                                                                                |
| De-stuffing              | The process of unloading products from an import container                                                         |
| DG set                   | Diesel generator set                                                                                               |
| EIA                      | Export Inspection Agency                                                                                           |
| EU                       | European Union                                                                                                     |
| FEFO                     | First expiry first out                                                                                             |
| FIFO                     | First in first out                                                                                                 |
| Freon 404(a)             | A variant of Freon gas                                                                                             |
| GCCA                     | Global Cold Chain Alliance                                                                                         |
| GPS                      | Global positioning system                                                                                          |
| GPRS                     | General packet radio service                                                                                       |
| IARW                     | International Association of Refrigerated Warehouses                                                               |
| ISO 22000                | International standard specifying requirements for food safety and hygiene                                         |
| ISO 14001                | International standard specifying the criteria for environment management system                                   |
| Kitting                  | The picking of warehoused units to form a customised unit as per customer requirement                              |
| Labelling                | Display of information about a product on its container, packaging or the product itself                           |
| MPEDA                    | Marine Products Export Development Authority                                                                       |
| Milk Run                 | Pick-up and/or delivery on a pre-scheduled route, with intermediate halts                                          |
| Pallet                   | The structural foundation of a unit load which allows for efficient handling and storage of products in warehouses |
| Part Cargo Consolidation | Process of assembling separate products into a consolidated package for efficient distribution                     |
| POD                      | Proof of Delivery                                                                                                  |
| QSR                      | Quick Service Restaurants                                                                                          |
| Reefer Vehicles          | Mobile refrigerated vehicles                                                                                       |
| Repacking                | To change packaging as per customer requirement                                                                    |
| RTE                      | Ready to eat                                                                                                       |
| RTC                      | Ready to cook                                                                                                      |
| Sorting                  | Segregation of a customer's product as per a desired dispatch requirement                                          |
| Stuffing                 | Loading cargo into an export container                                                                             |
| TCL                      | Temperature Controlled Logistics                                                                                   |
| WFLO                     | World Food Logistics Organisation                                                                                  |

### Conventional and General Terms or Abbreviations

| Term                                      | Description                                                                                                                                                                           |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AGM                                       | Annual General Meeting                                                                                                                                                                |
| AIF(s)                                    | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012                 |
| AS/Accounting Standards                   | Accounting Standards issued by the Institute of Chartered Accountants of India                                                                                                        |
| Bn / bn                                   | Billion                                                                                                                                                                               |
| BSE                                       | BSE Limited                                                                                                                                                                           |
| Category I foreign portfolio investor (s) | Includes government and government related investors such as central banks, governmental agencies, sovereign wealth funds and international or multilateral organisations or agencies |
| Category II foreign portfolio             | Includes (i) appropriately regulated broad based funds such as mutual funds,                                                                                                          |

| Term                                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| investor(s)                                | <p>investment trusts, insurance/reinsurance companies;<br/> (ii) appropriately regulated persons such as banks, asset management companies, investment managers/ advisors, portfolio managers;<br/> (iii) broad based funds that are not appropriately regulated but whose investment manager is appropriately regulated:</p> <p>Provided that the investment manager of such broad based fund is itself registered as Category II foreign portfolio investor:</p> <p>Provided further that the investment manager undertakes that it shall be responsible and liable for all acts of commission and omission of all its underlying broad based funds and other deeds and things done by such broad based funds under these regulations.</p> <p>(iv) university funds and pension funds; and<br/> (v) university related endowments already registered with SEBI as foreign institutional investors or sub-accounts.</p> <p>Explanation 1- For the purposes of this clause, an applicant seeking registration as a foreign portfolio investor shall be considered to be “appropriately regulated” if it is regulated or supervised by the securities market regulator or the banking regulator of the concerned foreign jurisdiction, in the same capacity in which it proposes to make investments in India.</p> <p>Explanation 2- A) For the purposes of this clause, “broad based fund” shall mean a fund, established or incorporated outside India, which has at least 20 investors, with no investor holding more than 49% of the shares or units of the fund:</p> <p>Provided that if the broad based fund has an institutional investor who holds more than 49% of the shares or units in the fund, then such institutional investor must itself be a broad based fund.</p> <p>B) For the purpose of clause A of this Explanation, for ascertaining the number of investors in a fund, direct investors as well as underlying investors shall be considered.</p> <p>C) For the purpose of clause B of this Explanation, only investors of entities which have been set up for the sole purpose of pooling funds and making investments, shall be considered for the purpose of determining underlying investors</p> |
| Category III foreign portfolio investor(s) | FPIs registered as category III FPIs under the SEBI FPI Regulations which shall include investors who are not eligible under Category I and II foreign portfolio investors such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| CAGR                                       | Compounded Annual Growth Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| CDSL                                       | Central Depository Services (India) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| CENVAT                                     | Central Value Added Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| CEO                                        | Chief Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| CESTAT                                     | Customs, Excise and Service Tax Appellate Tribunal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| CIN                                        | Corporate Identity Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| CIT                                        | Commissioner of Income Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Companies Act                              | Companies Act, 1956, as amended (without reference to the sections thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013) (the “ <b>Companies Act, 1956</b> ”) read with the applicable provisions of the Companies Act, 2013, to the extent notified and in effect (the “ <b>Companies Act, 2013</b> ”), and together with the Companies Act, 1956, the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Term                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | “Companies Act”)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Equity Listing Agreement  | Listing Agreement to be entered into with the stock exchanges on which the Equity Shares of our Company are to be listed                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| ERP                       | Enterprise Resource Planning                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| ESI Act                   | Employee State Insurance under the Employees State Insurance Act, 1948                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| FCNR                      | Foreign Currency Non-Resident                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 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, 2000 and amendments thereto                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| FII(s)                    | Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995, and registered with SEBI under applicable laws in India                                                                                                                                                                                                                                                                                                                                                                                                               |
| Financial Year/Fiscal/FY  | Unless stated otherwise, the period of 12 months ending March 31 of that particular year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| FIPB                      | Foreign Investment Promotion Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| FPI                       | A person who satisfies the eligibility criteria prescribed under Regulation 4 of the SEBI (FPI) Regulations and has been considered under chapter II of the SEBI (FPI) Regulations, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act.<br><br>Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (FII) Regulations. |
| FSSA                      | Food Safety and Standards Act, 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| FSSR                      | Food Safety and Standards Rules, 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| FVCI                      | Foreign Venture Capital Investors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| GDP                       | Gross Domestic Product                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GIR                       | General Index Register                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GoI / Government          | Government of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| HUF                       | Hindu Undivided Family                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| ICAI                      | The Institute of Chartered Accountants of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| IFRS                      | International Financial Reporting Standards                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Income Tax Act            | The Income Tax Act, 1961                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| India                     | Republic of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Indian GAAP               | Generally Accepted Accounting Principles in India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| IPO                       | Initial Public Offering                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| IST                       | Indian Standard Time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| IT                        | Information Technology                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| LIBOR                     | London Interbank Offered Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Mn                        | Million                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| MHE                       | Material Handling Equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| MT                        | Metric Tonnes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| NA/n.a.                   | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| NAV                       | Net Asset Value                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| NECS                      | National Electronic Clearing Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| NEFT                      | National Electronic Fund Transfer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| NR                        | Non-resident                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| <b>Term</b>                 | <b>Description</b>                                                                                                                                                                                                                                                                                                                             |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NRE Account                 | Non Resident External Account                                                                                                                                                                                                                                                                                                                  |
| NRI                         | Non Resident Indian, being a person resident outside India, as defined under FEMA and the FEMA Regulations                                                                                                                                                                                                                                     |
| NRO Account                 | Non Resident Ordinary Account                                                                                                                                                                                                                                                                                                                  |
| NSDL                        | National Securities Depository Limited                                                                                                                                                                                                                                                                                                         |
| NSE                         | The 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 as defined under the FEMA Regulations. OCBs are not allowed to invest in the Issue. |
| p.a.                        | Per annum                                                                                                                                                                                                                                                                                                                                      |
| P/E Ratio                   | Price/Earnings Ratio                                                                                                                                                                                                                                                                                                                           |
| PAN                         | Permanent Account Number                                                                                                                                                                                                                                                                                                                       |
| PAT                         | Profit After Tax                                                                                                                                                                                                                                                                                                                               |
| RBI                         | The Reserve Bank of India                                                                                                                                                                                                                                                                                                                      |
| Regulation S                | Regulation S under the Securities Act                                                                                                                                                                                                                                                                                                          |
| RoC                         | Registrar of Companies                                                                                                                                                                                                                                                                                                                         |
| RoNW                        | Return on Net Worth                                                                                                                                                                                                                                                                                                                            |
| ₹/Rs./Rupees/INR            | Indian Rupees                                                                                                                                                                                                                                                                                                                                  |
| RTGS                        | Real Time Gross Settlement                                                                                                                                                                                                                                                                                                                     |
| SCRA                        | Securities Contracts (Regulation) Act, 1956                                                                                                                                                                                                                                                                                                    |
| SCRR                        | Securities Contracts (Regulation) Rules, 1957                                                                                                                                                                                                                                                                                                  |
| SEBI                        | The 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 ESOP Guidelines        | Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999                                                                                                                                                                                                                      |
| SEBI FPI Regulations        | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014                                                                                                                                                                                                                                                         |
| SEBI ICDR Regulations       | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009                                                                                                                                                                                                                                        |
| SEBI VCF Regulations        | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996                                                                                                                                                                                                                                                               |
| Securities Act              | US Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                          |
| SICA                        | Sick Industries Companies (Special Provisions) Act, 1985                                                                                                                                                                                                                                                                                       |
| Sq. ft.                     | Square feet                                                                                                                                                                                                                                                                                                                                    |
| STT                         | Securities Transaction Tax                                                                                                                                                                                                                                                                                                                     |
| State Government            | The government of a state in India                                                                                                                                                                                                                                                                                                             |
| Stock Exchanges             | The BSE and the NSE                                                                                                                                                                                                                                                                                                                            |
| Takeover Code               | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011                                                                                                                                                                                                                                     |
| UK                          | United Kingdom                                                                                                                                                                                                                                                                                                                                 |
| US /United States           | United States of America                                                                                                                                                                                                                                                                                                                       |
| US GAAP                     | Generally Accepted Accounting Principles in the United States of America                                                                                                                                                                                                                                                                       |
| USD or US\$                 | United States Dollars                                                                                                                                                                                                                                                                                                                          |
| VAS                         | Value Added Services                                                                                                                                                                                                                                                                                                                           |
| VAT                         | Value Added Tax                                                                                                                                                                                                                                                                                                                                |
| VCFs                        | Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations                                                                                                                                                                                                                                                    |

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the section entitled ‘*Main Provisions of Articles of Association*’ the

chapters entitled, '*Statement of Tax Benefits*' and '*Financial Statements of our Company*' on pages 386, 106 and 180 respectively, of this Prospectus and shall have the meanings given to such terms in these respective sections.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from the restated financial information of our Company, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal.

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

There are significant differences between Indian GAAP, US GAAP and IFRS. Accordingly, the degree to which the financial information prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations and included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein to investors and investors should consult their own advisors regarding such differences and their impact on the financial data. For details in connection with the risks involved in the differences between the Indian GAAP and IFRS, please the risk factor entitled 'Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, with which investors may be more familiar' under the section entitled 'Risk Factors' on page 15 of this Prospectus.

### 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;
- "USD" or "US\$" are to United States Dollar, the official currency of the United States;

### Exchange Rates

This Prospectus contains conversions 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 or at all.

The exchange rates of the USD on the dates set out below are:

| Currency | Exchange rate into ₹ as on<br>March 28, 2014 | Exchange rate into ₹ as on<br>March 28, 2013 | Exchange rate into ₹ as on<br>March 30, 2012 |
|----------|----------------------------------------------|----------------------------------------------|----------------------------------------------|
| 1 USD    | 60.10*                                       | 54.39**                                      | 51.16***                                     |

Source: RBI Reference Rate, [www.rbi.org.in](http://www.rbi.org.in)

\*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 holiday on account of Gudi Padva, 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, Saturday and a holiday on account of Good Friday, respectively.

\*\*\*Exchange rate as on March 30, 2012, as RBI Reference Rate is not available for March 31, 2012 being a Saturday.

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from publicly available information as well as industry publications and sources. The information in this Prospectus pertaining to the temperature controlled logistics industry is derived from report of *The Temperature Controlled Logistics Industry in India*.

### Ernst & Young LLP disclaimer

Industry reports and publications generally state that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and investment decisions should not be based on such information. Accordingly, prospective investors are advised not to rely on the information in this section when making their investment decisions. Ernst & Young LLP does not assume any responsibility with regard to such a decision.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

We neither represent it to be comprehensive or sufficient for making business decisions nor as a replacement of professional advice. Accordingly, we may not have addressed issues of relevance to our Company or others. Our work in connection with the Report was completed on May 5, 2014 which may be some time before the Report is provided to our Company, and has not been updated for subsequent events and transactions or for any other matters which might have a material effect on the contents of the Report.

## FORWARD-LOOKING STATEMENTS

This 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’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India which affect our Company’s business and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its 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 its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Our ability to effectively implement our business and growth strategies;
- Our ability to effectively respond to competition and changes in technology;
- Reduction in, or termination of, our tax incentives;
- General economic conditions in India and overseas;
- Political conditions in India; and
- Inflation.

For further discussion of factors that could cause the actual results to differ from the expectations, please see the section entitled ‘*Risk Factors*’, and chapters entitled ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ on pages 15, 115 and 247, respectively, of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as of the date of this Prospectus and are not a guarantee of future performance. Neither our Company, its Directors, the Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 115 and 247 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company as of and for the Fiscals 2010, 2011, 2012, 2013 and 2014 in each case prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto.

### Risks Relating to our Business

#### Internal Risks

1. ***There are two criminal proceedings pending against our Directors which if determined against him could have an adverse impact on the business and financial results of our Company.***

There are two criminal proceedings against our Directors. The impact of these litigations cannot be quantified. An adverse finding by the Court may have a detrimental impact on our business. For details of the criminal litigations pending against our Director, please see the chapter entitled 'Outstanding Litigation and Material Developments' on page 273 of this Prospectus.

2. ***There are various litigations involving our Company, our Directors, our Promoter and our Group Companies.***

There are various litigations outstanding involving our Company, our Directors, our Promoter and our Group Companies. These legal proceedings are pending at different levels of adjudication before various fora. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and other parties. Should any new developments arise, such as any change in applicable Indian law or any rulings against our Company by appellate courts or tribunals, our Company may need to make provisions in its financial statements that could increase expenses and current liabilities. Any adverse decision may have an adverse effect on our Company's business, results of operations and financial condition. The brief details of such outstanding litigation as of the date of this Prospectus are as follows:

#### Litigation against our Company

| Sr. No. | Nature of litigation | Number of outstanding cases | Aggregate approximate amount involved (in ₹ million) |
|---------|----------------------|-----------------------------|------------------------------------------------------|
| 1.      | Arbitration          | 2                           | 46.49                                                |
| 2.      | Tax                  | 7                           | 1.85                                                 |
| 3.      | Notices              | 1                           | 2.50                                                 |

**Criminal complaints against our Promoter, Gateway Distriparks Limited**

| Sr. No. | Nature of litigation | Number of outstanding complaints | Aggregate approximate amount involved (in ₹ million)* |
|---------|----------------------|----------------------------------|-------------------------------------------------------|
| 1.      | Criminal             | 1                                | 1.55                                                  |

**Litigation against our Promoter, Gateway Distriparks Limited**

| Sr. No. | Nature of litigation | Number of outstanding cases | Aggregate approximate amount involved (in ₹ million)* |
|---------|----------------------|-----------------------------|-------------------------------------------------------|
| 1.      | Civil                | 2                           | 4.5                                                   |
| 2.      | Arbitration          | 2                           | 16,803                                                |
| 3.      | Tax cases            | 12                          | 1,446.26                                              |
| 4.      | Consumer             | 22                          | 116.12 + USD 1.23 million                             |
| 5.      | Labour               | 1                           | NA*                                                   |
| 6.      | Motor Vehicles Act   | 1                           | 1.2                                                   |

\*Litigation that is not quantifiable is represented as NA

**Litigation against our Group Companies**

| Sr. No. | Name of Group Company                              | Nature of litigation | Number of outstanding cases | Aggregate approximate amount involved (in ₹ million)* |
|---------|----------------------------------------------------|----------------------|-----------------------------|-------------------------------------------------------|
| 1.      | Gateway Distriparks (South) Private Limited        | Civil                | 4                           | 4.62                                                  |
|         |                                                    | Labour               | 2                           | 1                                                     |
| 2.      | Gateway East India Private Limited                 | Civil                | 1                           | 2.50                                                  |
|         |                                                    | Tax                  | 3                           | 28.34                                                 |
| 3.      | Gateway Rail Freight Limited                       | Criminal             | 1                           | NA*                                                   |
|         |                                                    | Civil                | 12                          | 14.37                                                 |
|         |                                                    | Arbitration          | 2                           | 16,803                                                |
| 4.      | Gateway Distriparks (Kerala) Limited               | Civil                | 3                           | 13.71                                                 |
|         |                                                    | Tax                  | 1                           | 1.33                                                  |
| 5.      | Chandra CFS and Terminal Operators Private Limited | Tax                  | 1                           | 0.50                                                  |
|         |                                                    | Notices              | 1                           | 2.08                                                  |

\*Litigation that is not quantifiable is represented as NA

**Criminal complaints against our Directors**

| Sr. No. | Name of Director    | Number of outstanding complaints | Aggregate approximate amount involved (in ₹ million)* |
|---------|---------------------|----------------------------------|-------------------------------------------------------|
| 1.      | Mr. Gopinath Pillai | 1                                | NA*                                                   |

| Sr. No. | Name of Director           | Number of outstanding complaints | Aggregate approximate amount involved (in ₹ million)* |
|---------|----------------------------|----------------------------------|-------------------------------------------------------|
| 2.      | Mr. Prem Kishan Dass Gupta | 1                                | NA*                                                   |
| 3.      | Mr. Saroosh Dinshaw        | 1                                | NA*                                                   |
| 4.      | Mr. Shabbir Hassanbhai     | 1                                | NA*                                                   |
| 5.      | Mr. Michael Philip Pinto   | 1                                | NA*                                                   |

\*Litigation that is not quantifiable is represented as NA

#### **Litigations against our Directors**

| Sr. No. | Name of Director           | Nature of litigation | Number of outstanding cases | Aggregate approximate amount involved (in ₹ million)* |
|---------|----------------------------|----------------------|-----------------------------|-------------------------------------------------------|
| 1.      | Mr. Prem Kishan Dass Gupta | Criminal             | 2                           | NA*                                                   |
|         |                            | Civil                | 1                           | NA*                                                   |

\*Litigation that is not quantifiable is represented as NA

For details of the litigations pending against our Company, our Director, our Promoter and our Group Companies, please see the chapter entitled 'Outstanding Litigation and Material Developments' on page 273 of this Prospectus.

3. ***A select group of our customers contribute significantly to our revenues and failure to retain one or more of them will have an adverse effect on our financial performance and results of operations.***

During Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014, our top 20 customers contributed approximately ₹256.33 million, ₹306.49 million, ₹443.66 million and ₹676.57 million constituting 56.75%, 49.92%, 39.02%, and 44.10%, respectively, of our total revenues. While our reliance on the said group of customers has reduced over time, we may continue to remain dependent upon them for a substantial portion of our revenues. In such an event, our failure to retain one or more of them will have an adverse effect on our financial performance and our results of operations.

Further, our dependence on select customers also results in a reliance on the industry segment in which these customers operate. To illustrate, Graviss Foods Private Limited, one of our top 20 customers is in the ice cream industry. If Graviss Foods Private Limited or the industry segment in which Graviss Foods Private Limited operates suffers a downturn, for any reason, our results of operations and our financial performance could be adversely affected. In addition, if the reputation of one of our customers is significantly impaired, it could potentially have a trickle-down effect on our business, results of operations and financial performance.

In addition, we enter into contracts with our customers which are generally subject to negotiations every year. Our reliance on a select group of customers may also constrain our ability to negotiate these agreements, which may have an impact on our profit margins and financial performance.

4. ***We face several risks associated with the setting up of our new warehouses which could hamper our growth and consequently our business and financial condition.***

A significant part of the Net Proceeds from the Issue is allocated for capital expenditure for setting up new temperature controlled warehouses and ambient warehouses. When setting up new warehouses, we may encounter cost overruns or delays for various reasons including delays in construction, delay in receiving government approvals and non-delivery of equipment by suppliers. If any warehouse proposed to be set up 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 which could drain our internal accruals or compel us to raise additional capital which may not be available, on terms favourable to us, or at all.

In addition:

- we may not be able to recruit skilled and experienced personnel to set-up and operate our new

warehouses in a timely manner; and

- the warehouse(s) we set-up may not achieve anticipated levels of profitability.

Any one, or a combination of these factors, could undermine the objects of this Issue and hamper our growth. The occurrence of any such event could adversely affect our business, financial condition, and results of operations.

5. ***We have not, as on date of this Prospectus, obtained certain licenses or approvals for warehouses for which funds are being raised through the Issue. Any delay or an inability to obtain approvals may adversely impact our ability to set up the proposed warehouses and consequently have a detrimental impact on our growth prospects.***

As on the date of this Prospectus, we have not obtained certain licenses or approvals from various authorities for operating the warehouses for which funds are being raised through the Issue. In addition, the consent to establish for our proposed warehouse M-32 at Taloja (near Mumbai) has been granted in favour of our lessor of the property on which we are constructing the warehouse and not our Company and such licence has not been transferred to us. If the relevant authorities determine that our Company may not operate our warehouses under the licence granted to the lessor, our Company will need to obtain separate licences to operate our warehouse in Mumbai. If we are unable to procure these approvals on time, or at all, we may be unable to set up the new warehouses according to our projected timelines or at all. Our inability to set up the new temperature controlled warehouses may have an adverse effect on our business and growth prospects. Further, our Company may be subject to penalties for establishing a warehouse without the requisite approvals which may adversely affect our business and financial condition.

6. ***We have not placed orders for certain plant and machinery for which funds are being raised through the Issue. Unavailability or increase in costs of the plant and machinery could adversely impact our financial condition and our growth prospects.***

We propose to utilise ₹1,282.81 million from the Net Proceeds towards capital expenditure, of which approximately ₹636.33 million constituting 45.34% of our total fund requirement towards capital expenditure will be spent on plant and machinery. As of July 31, 2014, we have not entered into definitive agreements or placed orders for the purchase of plant and machinery aggregating ₹117.34 million constituting 18.44% of the proposed expenditure in that regard. In addition, most of the quotations are time-bound and may be subject to revisions.

Further, certain portion of the expenditure on plant and machinery will be on imported equipment. Consequently, any significant foreign currency fluctuation may have an adverse impact on our project cost and any increase in costs in excess of our estimates may need to be funded through internal accruals or through debt which may not be available on favourable terms or at all. For further details please see the chapter entitled 'Objects of the Issue' on page 79 of this Prospectus.

7. ***The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation in the estimates could affect our growth prospects.***

Our funding requirement including our long term working capital requirement is based on management estimates and has not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macroeconomic changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and, the utilization of proceeds from the Issue may also change. This may also include re-scheduling the proposed utilization of Net Proceeds at the discretion of our management. We may make necessary changes to the utilisation of Net Proceeds in such cases in conformity with the provisions of the Companies Act in relation to the change in the objects in a public issue. In the event of any variations in actual utilization of funds earmarked for the above activities, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure and may have a bearing on our expected revenues and earnings.

8. ***We have not entered into any definitive agreements to monitor the utilization of the Issue Proceeds.***

The SEBI ICDR Regulations stipulates the appointment of monitoring agency only where the issue size is in excess of ₹5,000 million. Since the Issue is for less than ₹5,000 million, we will not be appointing monitoring agency and the deployment of Net Proceeds as stated in chapter entitled 'Objects of the

*Issue*’ on page 79 of this Prospectus, is not expected to be monitored by an independent agency.

9. ***We are yet to receive certain regulatory approvals in respect of our operations. An inability to maintain licences and approvals may adversely affect our business and results of operations.***

We require various registrations, licences and approvals to operate our warehouses. Some of the more important approvals are in respect of environmental laws, registrations under the Factories Act, 1948, the Food Safety Standards Act, 2006 (FSSA) and in respect of contract labour. While we have obtained a significant number of approvals from the relevant authorities we are yet to receive certain approvals. We cannot assure you that we will receive these approval / clearances in time or at all. Additionally, we will need to apply for renewal of approvals which expire / seek fresh approvals, from time to time, as and when required in the ordinary course of our business. Further, the approvals and licences obtained by us may contain conditions, some of which could be onerous.

Further, we cannot assure you that the approvals, licences, registrations or permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licences, registrations or permits that has been or may be issued to us may adversely affect our business and results of operations.

If we are unable to timely obtain or maintain the necessary approvals, registrations or clearances, at present or in future, it may have an adverse impact on our business, results of operations and financial performance.

For details of regulatory approvals and licences of our Company, please see the chapter entitled ‘Government Approvals’ on page 294 of this Prospectus.

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

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our customers and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources 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 further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations.

As part of our growth strategy, we propose to increase the number of warehouses that we operate by setting up warehouses in new geographic locations. There can be no assurance that we will be able to set up the new warehouses according to our projected timelines or at all. Failure to set up the warehouses on time, or at all, could materially impact our ability to achieve our goal of rapidly expanding our domestic footprint and penetrating hitherto untapped geographies.

Our inability to maintain our growth or failure to successfully implement our growth strategies could have an adverse impact on the results of our operations, our financial condition and our business prospects.

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

Our financing agreements include conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders have certain rights to determine how we operate our businesses, which, amongst other things, restrict our ability to borrow additional debt, declare dividends or incur capital expenditures beyond prescribed thresholds, change the shareholding pattern/management of our Company, issue any guarantee, use other bank’s facilities, enter into any derivative transactions, enter into any profit sharing agreements, make investments other than in the ordinary course of business, sell/transfer/lease/dispose substantial part of assets, and form or acquire any subsidiaries. We cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or comply with such covenants or other covenants in the future.

Further, these debt obligations are typically secured by 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, convert outstanding debt into equity, nominate directors to our Board or exercise other such 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. Further, we cannot assure you that we will be able to raise additional financing on favourable terms, or at all. Any failure in the future to obtain sufficient financing could result in a lack of cash flow to meet our operating requirements and, therefore, could have an adverse effect on our business, financial condition and results of operations.

Further, the loans extended to us by our lenders are conditional upon the corporate guarantee extended by our Promoter, GDL. Pursuant to the Companies Act, 2013, our Promoter may be unable to extend such guarantees in the future. In the event our Promoter does not extend the necessary guarantee or if we are unable to find a guarantor to our lenders' satisfaction our ability to maintain and raise future debt could be adversely impacted. If we are unable to raise debt, we may not be able to meet our financing requirements for our expansion plans which could have an adverse effect on our business and results of operations. For further details please see the chapter entitled '*Financial Indebtedness*' on page 183 of this Prospectus.

12. ***We operate a large number of our warehousing facilities on leased land. If we are unable to timely renew our leases or enter into fresh agreements on favourable terms or at all, our business, financial condition and results of operations may be adversely affected.***

As an integrated temperature controlled logistics service provider our temperature controlled warehouses are critical to our business. In Fiscal 2013 and Fiscal 2014, our temperature controlled warehousing business constituted 46.23% and 50.74% of our total revenues. Consequently, the lands on which our temperature controlled warehouses are located are crucial to our business. While we have, in the past, acquired the land on which our temperature controlled warehouses are located, with the increasing unavailability, and rising cost, of land, acquiring land is no longer economically viable. Accordingly, our more recent temperature controlled warehouses are located on lands that have been taken on lease. As on March 31, 2014, 13 of the 23 temperature controlled warehouses we operate were on properties taken on lease. While a majority of our leases are for around 20 years with a specified lock-in we could be required to relocate these temperature controlled warehouses, should the lease be terminated for any reason. Further, there can be no assurance that we will be able to timely renew the lease or enter into fresh agreements in future, on favourable terms, or at all.

In the event that any lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land to set up a temperature controlled warehouse, which may adversely affect our financial condition. Also, we may be unable to relocate a temperature controlled warehouse to an appropriate location in a timely manner, or at all. Further, there can be no assurance that a relocated temperature controlled warehouse will be as commercially viable.

If an agreement is terminated, prior to its tenure or if it is not renewed or if we are required to cease business operations at a property, for any reason whatsoever, our business, financial condition and results of operations may be adversely affected. Further, if the vacated property is leased or sold to a competitor, we may also face increased competition in that geographic area which could adversely affect our market share and revenues.

13. ***We do not own the land on which our Registered Office is situated. Inability to timely renew the lease may have an adverse impact on our results of operations and financial results.***

Our Company does not own the land where our Company's Registered Office is situated. In terms of the lease agreement, our Company pays monthly rent for the land on which our Registered Office is situated. In the event the lease agreement is terminated prior to the expiry of the 20 year lease period or if we are unable to secure a renewal of the lease, we will be required to relocate both our Registered Office and our temperature controlled warehouse located on the same land for which we may be required to incur significant expenditure. In addition, identifying suitable land for the Registered Office and the temperature controlled warehouse could place significant demands on our senior management

and other resources. Any inability on our part to timely identify a suitable location for our registered office could have an adverse impact on our business.

14. ***We do not own a few of the trademarks that we use and also a logo related to our business and may, consequently, be unable to defend any infringement of our intellectual property rights.***

We believe that one of the key factors of our success is our brand recall. While our erstwhile trade name 'Snowman Frozen Foods' is registered, 'Snowman Logistics Limited' is yet to be registered. While we have made applications for registration of the name of our Company under the Trade Marks Act, 1999, with the relevant authorities, the process of registration in India is time-consuming and there can be no assurance that we will be granted the trademark, soon or at all. Further, we have received certain objections from the Trademarks Registry in respect of some of our trademark applications. If we are unable to obtain the requisite registration our intellectual property may be used by others including our competitors, thereby diluting our brand value and our goodwill. In addition, our ability to defend any infringement of our intellectual property rights may be hampered by lack of registration since we will only be able to initiate proceedings for passing-off (which are potentially more onerous to prosecute), which could adversely affect our brand, our goodwill and business prospects. For details of trademarks that we own, please see the chapter entitled 'Our Business' on page 115 of this Prospectus.

15. ***Our temperature controlled distribution business is heavily reliant on third party service providers for the Reefer Vehicles and on the operators of these vehicles. Any lapse or failure on the part of these service providers could have a detrimental impact on our reputation and business prospects.***

Our temperature controlled distribution business is our second largest source of revenue and constituted 34.99% and 47.71% of our total revenue from operations for Fiscal 2013 and Fiscal 2014, respectively. As on March 31, 2014, we operated 370 Reefer Vehicles of which 307 were leased, either in part or full, from various third party service providers, which constituted 82.97% of our total operational fleet. We operate these leased vehicles pursuant to contracts, generally valid for a period of 18 months to 6 years, with third party service providers. In particular, we leased 297 vehicles constituting 96.74% of our entire contracted fleet from two service providers. If we are unable to timely renew the lease on the vehicles provided by these entities on similar terms or at all, we will be required to identify new service providers which, amongst others, will be time consuming. Further, if we are unable to procure the services of other service providers capable of adequately servicing our needs we may be compelled to purchase new vehicles which will require significant capital outlay. In addition, our inability to operate Reefer Vehicles for a reasonable length of time would have an adverse impact on our reputation, results of operations and financial performance.

Further, almost all the operators of the Reefer Vehicles including the drivers are engaged through third party contractors. While we consistently monitor the progress of the Reefer Vehicles en route, we have little control over these operators. In the recent past some of the drivers of our Reefer Vehicles were penalised for violation of certain laws. While we have contracts which assign liability to the third party service providers there can be no assurance that we will not be made party to the proceedings or that action will not be initiated against us. Further, if we are held liable for these violations our insurance cover may not be sufficient or even available. Any such event could have a significant impact on our reputation and, consequently, our business prospects and profits.

16. ***Failure in maintaining the requisite standard for storage of products warehoused with us / transported through us could have a negative impact on our business.***

We are required to maintain the requisite standard for storage of the products that we warehouse and transport. We achieve this through various means including by ensuring that our temperature controlled warehouses adhere to prescribed regulatory standards and deploying data loggers in our Reefer Vehicles to ensure continuous monitoring of temperature. However, if we consistently, or frequently, fail to maintain the prescribed and / or requisite standards at our temperature controlled warehouses or in our Reefer Vehicles, we may be unable to retain our customers which will have an adverse impact on our business, growth prospects and our financial results.

Some of the products warehoused 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 warehoused or distributed is compromised, we could be in breach of our contractual obligations to our customers which could lead, amongst others, to monetary damages. For instance, we are presently in arbitration against one of our customers who has alleged that we failed to maintain the quality of the ice-creams warehoused and distributed by us, which allegedly caused significant loss to the said

customer. For further details, please see the chapter entitled 'Outstanding Litigation and Material Developments' on page 273 of this Prospectus. In addition, given that a majority of the products handled by us are ultimately consumed by the general public we face potential public liability which may be significantly in excess of our insurance cover. Further, we may also face criminal liability in this respect.

17. ***Our operations are power intensive and our fuel expenses constitute a significant component of our operating costs. If we are unable to pass on the costs to our customers, our profit margins may be adversely affected.***

Continuous operation of the cold storage / refrigeration unit leads to high power consumption making profitability sensitive to power costs. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*]. Our temperature controlled warehouses consume significant amounts of electricity and the cost of electricity constituted 12.34% and 12.66% of our operating expenses for Fiscal 2013 and Fiscal 2014, respectively. We meet our power requirements through various sources, such as state electricity boards and back-up diesel generator sets. Any continuous or chronic interruption in power supply to our warehousing facilities will have a material adverse impact on our business and results of operations. Further, some of the states in which we operate suffer from an acute shortage of electricity, in particular during summer.

In addition, all our Reefer Vehicles and other vehicles operated by us run on diesel. Recently, the Government of India partially de-regulated diesel prices, consequent to which diesel prices have been steadily increasing. Any significant increase in the price of diesel will have a detrimental impact on our margins. While we attempt to pass on the cost to our customers by increasing our rates, there can be no assurance that we will be able to do so in part or in full, in future. Further, our inability to pass on the entire cost of electricity to our customers in the event of a significant rise in the unit cost of electricity could adversely affect our profit margins.

18. ***We have a large work force and our employee benefit expense is significant component of our operating costs. An increase in employee benefit expense could reduce our profitability.***

Our operations are highly dependent on our skilled and semi-skilled labour. Over the years, our employee benefit expense has been a significant component of our operating costs. In Fiscal 2012, Fiscal 2013 and Fiscal 2014, our employee benefit expense was ₹97.65 million, ₹129.32 million and ₹151.92 million, constituting 15.21%, 11.33% and 9.79%, respectively, of our total revenue. Due to economic growth in the past and the increase in competition for skilled and semiskilled employees in India, wages in India have, in recent years been increasing at a fast rate. Further, our proposed expansion plan to augment growth will also result in increase in our work force and may also 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, many of our employees receive salaries that 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, amongst others, impact our growth prospects.

19. ***We are heavily dependent on machinery for our operations. Any break-down of our machinery will have a significant impact on our business, financial results and growth prospects.***

Our warehousing and distribution businesses are heavily dependent on plant and machinery including air conditioners, data loggers, Reefer Vehicles, forklifts and ante trucks. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. Further, if we are unable to repair the malfunctioning machinery, our operations may need to be suspended until we procure machinery to replace the same. Any malfunction or break-down of our machinery may also cause the quality of products stored with us to be affected. Consequently, we may be liable for breach of our contractual obligations with our customers. Any breach of our obligations may result in termination of our contracts with our customers which could have an adverse impact on business, reputation and our financial results. Further, we may also be open to public liability from the end consumer for defects in the quality of the product.

20. ***Any failure of our information technology systems could adversely impact our business.***

Our day to day operations depend on our information technology systems. All our operations function under an ERP system and we rely heavily on our information technology systems including for tracking the status of products stored with us, temperature recordings as well as for tracking the movement of our Reefer Vehicles. We also use information technology systems for routine corporate activities such as processing of financial information, managing information pertaining to creditors/ debtors and engaging in normal business activities. Although we believe that we have effective backup systems in place, any partial or complete disruption of our information technology systems could adversely impact our business and the result of our operations.

21. ***Changes in technology may render our current technologies obsolete or require us to undertake substantial capital investments, which could adversely affect our results of operations.***

Technologies currently under development or that may be developed in the future, if employed by our existing competitors or new entrants, may adversely affect our competitiveness. The development and application of new technologies involve time, substantial cost and risk. Our competitors may be able to deploy new technologies, such as those pertaining to refrigeration, before us and we cannot predict how emerging and future technological changes will affect our operations or the competitiveness of our services. If we fail to successfully implement new technologies in a timely manner or at all, our business, financial condition and results of operations may be adversely affected.

22. ***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 warehouses and Reefer Vehicles has adequate equipments to ensure and meet necessary safety standards. However, certain accidents / mishaps may be unavoidable or may occur *inter alia* 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 warehouses or involving our Reefer Vehicles could also harm our reputation. Such accidents, irrespective of the monetary liability, may have an adverse impact on our business and reputation.

23. ***We are heavily reliant on our key management personnel and persons with specialised technical know-how. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the services of key management personnel, and our ability to attract, train, motivate and retain skilled employees, including technicians and other professionals. In addition, the temperature controlled logistics business is highly technical in nature and requires personnel with specialized knowledge / skill-sets and in India, premier institutions of higher education catering to this technology are limited and personnel with the requisite expertise are not easily available. If we are unable to hire additional personnel or retain existing qualified personnel, in particular our key management personnel and persons with specialised technical know-how, our operations and our ability to expand our business may be impaired and our revenues may decline. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain key management personnel and skilled and experienced employees could adversely affect our business and results of operations.

24. ***If revenues from certain markets are adversely affected our results of operations and financial condition would be adversely affected.***

While we have a geographic presence across various cities and towns in India, we are heavily dependent on certain markets for our income from operations. We believe that as of March 31, 2014, Mumbai, Chennai and Bengaluru markets contributed significantly to our total revenues. If the share of our revenues from these cities reduces significantly, it may adversely affect our results of operations and financial condition.

25. ***A fall in purchasing power of retail consumers will hamper our growth and have an adverse impact on our revenues.***

Our growth is reliant on the purchasing power of the retail consumers catered to by our customers. Some of our top customers, in particular those customers operating in the FMCG sector are not

suppliers of necessity goods, and, consequently, are subject to high price elasticity. A fall in the purchasing power of retail consumers, for any reason whatsoever, including rising consumer inflation and a slowdown in economic growth will have an adverse impact on our customer's revenues and profitability. A decline in the revenues or the profitability of our customers could result in such customers reducing their dependence on temperature controlled logistics service providers which could adversely impact the temperature controlled logistics industry and, consequently, may affect our revenues.

26. ***Delays or defaults in client payment could result in reduction of our profits.***

One of the risks involved in relation to our business is the practice of extending credit for long periods of time and the uncertainty regarding the receipt of outstanding amounts. Due to these industry conditions, we have and will continue to have high levels of outstanding receivables. In Fiscal 2013 and in Fiscal 2014, we had ₹256.35 million and ₹394.77 million, respectively, worth of trade receivables i.e., 22.47% and 25.43%, respectively of our total revenues. If the delays or defaults in client payments continue or increase in proportion to our total revenues, it will result in a reduction of our profits. Further, while we may exercise a lien over the products warehoused, in the event of a non-payment of dues, there can be no assurance that we will be able to successfully sell the products to recover our dues in part or full.

27. ***The interests of our Directors may cause conflicts of interest in the ordinary course of our business.***

Conflicts may arise in the ordinary course of decision making by our Board. Some of our Non-Executive Directors are also on the board of directors of certain companies engaged in businesses similar to our business. There can be no assurance that our Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. If any of our Directors are faced with a conflict of interest, they may choose to favour the business competing with our Company. This may affect our business, growth prospects and our financial condition.

28. ***We avail certain tax benefits which may not be available to us in the future. Loss of these tax benefits may result in a decrease in our margins. Taxes and other levies imposed by the Central or State Governments, as well as other financial policies and regulations, may have an adverse effect on our business, results of operations and financial condition.***

We are subject to taxes and other levies imposed by the Central or State Governments, including customs duties, excise duties, central sales tax, service tax, income tax, value added tax, local body taxes and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax schemes in India are subject to change from time to time. Any adverse changes in any of the taxes levied by the Central or State Governments may adversely affect our competitive position and results of operations. Further, we cannot assure you that certain tax incentives, that we currently avail, will continue to be available in the future. Illustratively, subject to the fulfilment of prescribed conditions, our Company is entitled to claim deduction under Sec 35AD of Income Tax Act, 1961. The said tax benefit entitles us to a deduction of capital expenditure. Up to AY 2012 – 2013, we were entitled to a 100% deduction which has been increased to 150% deduction from AY 2013-2014, incurred wholly and exclusively for the purpose of setting up and operating cold chain facilities. Our Company is eligible for the said deductions for temperature controlled warehouses set up after the date from which this deduction is applicable. Changes in, or elimination of, tax incentives may adversely affect our financial condition and results of operations. Further, any withdrawal or reduction or other adverse modification in the income tax regime could have an adverse impact on our business, financial condition and results of operations.

29. ***If we cannot respond effectively to competition, our financial condition may be adversely affected.***

The temperature controlled logistics sector is fragmented with various regional and / or unorganised service providers, consequent to which we face intense competition. It is estimated that over 90% of the temperature controlled logistics warehousing and around 80% of temperature controlled distribution is catered to by regional and / or unorganised service providers. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] These operators may also have a significant pricing advantage since the scale of their operations would, generally, be smaller. In addition, while the cost of setting-up wide-ranging temperature controlled operations may be significant, the cost of setting-up basic level cold storage facilities is low and the approvals and clearances required are not prohibitive. Consequently, the entry barriers for regional and / or unorganised service providers are not

significant.

At present, over 64% of the cold storages are currently located in Uttar Pradesh and West Bengal with further 16% located in Punjab, Gujarat and Bihar [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*], where we do not have a significant presence. The presence of several cold storages in the northern states may hamper our ability to grow in these markets. Further, if the operators in such markets penetrate locations where we have a significant presence, we may face additional competition which may have an adverse impact on our revenue and profitability.

The Indian temperature controlled logistics industry is still in its nascent stages. If transnational operators set up their business in India or any major multi-brand distributors opt to set up their own temperature controlled warehousing and distribution services, we may not be able to effectively compete with the scale of their operations and could face significant pressure on our margins. If we are unable to effectively respond to competition from existing players and /or new entrants, and consequent pricing pressures, it will adversely affect our business, financial condition and results of operations.

30. ***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 operations are dependent upon timely pick-up and delivery of products that are stored in our temperature controlled warehouses or that are distributed by us. However, distribution of such products may be subject to delays including due to factors beyond the control of our Company. Any delay in the delivery of products may result in breach of the contract with our customers and may be ground for termination of our agreements. An inability to retain our customers may harm our reputation and will have an adverse impact on our financial performance and business prospects.

Further, a delay in the distribution of temperature sensitive products may compromise the integrity and quality of the product and could render us susceptible to litigation from our customer and to potential claims from the end consumer of such products. While, thus far, no 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.

31. ***Conflicts of interest may arise out of common business objects shared by our Company and certain of our Group Companies. There can be no assurance that such Group Entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours.***

Some of our Group Companies could offer services that are related to our business, which could lead to potential conflicts of interest. The memorandum of association of each of these entities entitles each of them to undertake and carry out businesses that are similar or related to our business. Although we have not faced competition from or had any conflicting interests with our Group Companies thus far, there can be no assurance that our Group Companies will not provide comparable services, expand their presence or acquire interests in competing ventures in the locations in which we operate. As a result, a conflict of interest may occur between our business and the business of our Group Companies which could have an adverse effect on our operations.

Further, there may be conflicts of interest in addressing business opportunities and strategies where other companies in which our Promoter, our Promoter Group and Group Companies have equity interests are also involved. In addition, new business opportunities may be directed to these affiliated companies instead of us leading to loss of our business and revenues.

32. ***We may be held liable for the payment of wages to the contract labourers we engage in our transportation business and for civil works.***

In order to retain flexibility and control costs, our Company appoints independent contractors who, in turn, engage on-site contract labour for performance of our civil works and for our transportation business. As on March 31, 2014, 1,107 workers constituting 74.30% of our total workforce were engaged by us on contract labour basis. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. If we are required to pay the wages of the contracted employees, our results of operations and financial condition could be adversely affected. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to absorb a number of such contract labourers as permanent employees if certain prescribed criteria are met.

Further, any order from a regulatory body or court directing us to absorb our contracted employees could have an adverse effect on our business, results of operations and financial condition.

Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on contract labour basis.

33. ***Our Promoter will continue to hold a significant equity stake in our Company after the Issue which affect our ability to raise further capital.***

Following completion of the Issue, our Promoter will continue to hold 40.17% of our equity share capital (assuming (a) the Issue is fully subscribed and (b) outstanding stock options are fully converted). GDL, will, therefore, have the ability to significantly influence our operations. 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, mergers and acquisitions strategy. Further, if, in 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 stake in our Company held by our Promoter, please see the chapter entitled 'Capital Structure' on page 60 of this Prospectus.

34. ***We may raise additional equity capital which may dilute your existing shareholding.***

Our growth and business strategies may require us to raise additional capital. We have, in July, 2013, raised ₹600 million through an issue of Equity Shares to Norwest Venture Partners VII-A Mauritius (NVP) and in the past we have raised equity capital from the International Finance Corporation (IFC). In future, we may meet additional capital requirements through a further issue of securities. Any issuance of Equity Shares to persons other than the Equity Shareholders will dilute your existing equity shareholding. Further, we may obtain funding from our Promoter through an equity infusion. This will also dilute your shareholding.

35. ***Our operations are subject to varied business risks and our insurance cover may prove inadequate to cover our economic losses.***

Our operations are subject to various risks and hazards which may adversely affect revenue generation and profitability. While we believe that we have taken adequate safeguards to protect our assets from various risks inherent, including by purchasing and maintaining relevant insurance cover, it is possible that our insurance cover may not provide adequate coverage in certain circumstances.

We maintain All Risk insurance for each of our properties including cover for fire, flood and earthquake. While we believe that we are sufficiently covered, certain types of losses may be either uninsurable or not economically insurable, such as losses due to acts of terrorism or war. Should an uninsured loss occur, we could lose our investment in, as well as anticipated profits and cash flow from, such a property. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. Further, even in the case of an insured risk occurring there can be no assurance that we will be successful in claiming insurance in part or full, or the insurance purchased by us may be insufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance or for which we are unable to successfully claim insurance or which is in excess of the insurance cover could, in addition to damaging our reputation, have an adverse effect on our business, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our insurance premium.

36. ***Contingent liabilities that have not been provided for could adversely affect our financial condition.***

As of March 31, 2014, we had certain contingent liabilities that had not been provided for in our restated financial information. The details of such contingent liabilities are as follows:

| Particulars        | As of March 31, 2014 (in ₹ million) |
|--------------------|-------------------------------------|
| Bank Guarantees    | 7.72                                |
| Sales Tax Matters  | 1.26                                |
| Income Tax Matters | 0.77                                |

|                    |      |
|--------------------|------|
| Wealth Tax Matters | 0.30 |
|--------------------|------|

37. ***Our management will have significant flexibility in temporarily investing the Net Proceeds of the Issue.***

We intend to use the Net Proceeds of the Issue for capital expenditure and long term working capital. For further details, please see the chapter entitled ‘*Objects of the Issue*’ on page 79 of this Prospectus. Pending such utilisation of the Net Proceeds of the Issue, we have significant flexibility to temporarily invest such Net Proceeds of the Issue in accordance with the policies established by the Board. Our management may also determine that it is appropriate to revise our estimated expenditure, fund requirements and deployment schedule for various reasons including revision in cost estimates, exchange rate fluctuations and external factors, which may not be within the control of our management but may affect the use of Net Proceeds.

38. ***We may be unable to enforce our rights under some of our agreements with our customers on account of insufficient stamping and non-registration.***

We enter into agreements with our customers for our warehousing and transportation business. The terms, tenure and the nature of the agreement may vary depending amongst others on the product and the customer. Some of the agreements executed by us may be inadequately stamped. Inadequately stamped documents while not illegal cannot be enforced in a court of law until the applicable stamp duty, with penalty, has been paid and could impact our ability to timely enforce our rights under the agreements.

Further, some of our customers are walk-in customers with whom we do not execute definitive agreements. The arrangement with such customers is through a simple invoice. There can be no assurance that we will be able to enforce our rights under these arrangements.

39. ***We could be adversely affected by instances of “bird” flu, or other 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 warehouse or distribute could materially adversely affect us, regardless of whether they pertain to our own temperature controlled warehouse or those operated by others. For example, health concerns about the consumption of meat products or specific events such as the outbreak of “bird” flu could lead to changes in consumer preferences, thereby impacting 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.

40. ***We have experienced negative cash flows during previous fiscals and any negative cash flows in the future could adversely affect our financial condition and trading price of our Equity Shares.***

As per our restated financial information, we have experienced negative cash flows from investing and financing activities in previous fiscals. The negative cash flow from investing and financing activities incurred in the previous Fiscals are as set forth in the table below:

(in ₹ millions)

| Particulars                                            | For the year ended March 31 |            |          |          |         |
|--------------------------------------------------------|-----------------------------|------------|----------|----------|---------|
|                                                        | 2014                        | 2013       | 2012     | 2011     | 2010    |
| Net Cash generated from operating activities           | 146.66                      | 139.61     | 109.90   | 100.92   | 18.95   |
| Net Cash generated from (used in) investing activities | (1,164.37)                  | (1,133.83) | (262.19) | (247.44) | (64.15) |
| Net Cash generated from                                | 1,105.35                    | 926.97     | (0.29)   | (0.06)   | 237.65  |

|                                                             |       |         |          |          |        |
|-------------------------------------------------------------|-------|---------|----------|----------|--------|
| (used in) financing activities                              |       |         |          |          |        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | 87.64 | (67.25) | (152.58) | (146.58) | 192.45 |

Any negative cash flows in future could adversely affect our financial condition and the trading prices of the Equity Shares.

41. ***Gateway Distriparks (Kerala) Limited and Chandra CFS and Terminal Operators Private Limited, our Group Companies have incurred losses in the previous three years.***

Gateway Distriparks (Kerala) Limited and Chandra CFS and Terminal Operators Private Limited, our Group Companies have incurred losses in the past three years. Gateway Distriparks (Kerala) Limited has incurred losses of ₹0.04 million, ₹0.86 million and ₹9.93 million in Fiscal 2012, Fiscal 2013 and Fiscal 2014, respectively. Chandra CFS and Terminal Operators Private Limited have incurred losses of ₹14.72 million, ₹13.37 million and ₹0.68 million in Fiscal 2012, Fiscal 2013 and Fiscal 2014, respectively.

42. ***Our Company's restated financial information, contained restatement adjustments as a result of certain audit qualifications that were made in the auditor's report of our previous statutory auditors in respect of the audited financial statements of our Company for the Fiscal 2009.***

Our Company's audited financial statements contained specific qualifications in the auditor's report issued by previous statutory auditors for the Fiscal 2009 with regard to (i) excess managerial remuneration paid to the Manager of our Company, (ii) provision of loss on consignment business pending reconciliation with consignment parties, (iii) provision for doubtful debts pending reconciliation / confirmation from parties and (iv) non provision of doubtful balances recoverable in respect of expenses incurred on a pilot project.

All of these qualifications were appropriately addressed / adjusted in the respective fiscals as a part of the restated financial information of our Company.

For further details please see the chapter entitled 'Financial Statements of our Company' on page 180 of this Prospectus.

43. ***We have issued Equity Shares in the last one year at a price which may be lower than the Issue Price.***

We have issued Equity Shares in the last 12 months, under our Company's employee stock option scheme, which may be at a price lower than the Issue Price. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

44. ***Some of the forms filed by us with the Registrar of Companies and our records in that respect are not traceable.***

We have been unable to locate corporate records of our Company prior of to the acquisition of majority stake by our Promoter, in respect of the allotment of 49,293 shares to Amalgam Investment Private Limited on July 13, 1995 and the increase in authorised capital from ₹5.00 million to ₹30.00 million on June 30, 1995. We cannot assure you that these records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

#### **External Risks**

45. ***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.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. The current government has announced that its general intention is

to continue India's current economic and financial sector liberalisation and deregulation policies. However, there can be no assurance that such policies will be continued, and a significant change in the government's policies could affect business and economic conditions in India, and could also adversely affect our financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the power generation and power generation equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

46. ***Hostilities, terrorist attacks, civil unrest, breaches of law and order and other acts of violence may adversely affect our business and the trading price of the Equity Shares.***

Terrorist attacks, civil unrest and other acts of violence or war within India and the surrounding region may adversely affect worldwide financial markets and may result in a loss of consumer confidence, which in turn may adversely affect our business, prospects, results of operations, cash flows and financial condition.

47. ***Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, with which investors may be more familiar.***

We have not attempted to explain in a qualitative manner the impact of the IFRS or U.S. GAAP on the financial information included in this Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Indian GAAP differs from accounting principles with which prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Prospectus should accordingly be limited.

48. ***Public companies in India, including our Company, may be required to prepare financial statements under IFRS or a variation thereof, IndAS. The transition to IndAS in India is still unclear and we may be negatively affected by such transition.***

Our Company currently prepares its annual and interim financial statements under Indian GAAP.

Public companies in India, including our Company, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time adoption of Indian Accounting Standards" (IndAS). Recently, the ICAI has released a near-final version of the IndAS. The Ministry of Corporate Affairs of the Government, on February 25, 2011, has announced that IndAS will be implemented in a phased manner and the date of such implementation will be notified at a later date. As at the date of this Prospectus, the MCA has not yet notified the date of implementation of IndAS. There is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application. Additionally, IndAS has fundamental differences with IFRS and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our financial condition, results of operations, cash flow or changes in shareholders' equity will not appear materially different under IndAS than under Indian GAAP or IFRS. As we adopt IndAS reporting, we may encounter difficulties in the on-going process of implementing and enhancing our management information systems. There can be no assurance that our adoption of IndAS will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IndAS in accordance with the prescribed timelines may have a material adverse effect on our financial position and results of operations.

49. ***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 (**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. Provisions of the Competition Act relating to the regulation of certain acquisitions, mergers or amalgamations which have a material adverse effect on competition and regulations with respect to notification requirements for such combinations came into force on June 1, 2011. The effect of the Competition Act on the business environment in India is unclear. 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 Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, it may have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

50. ***Investors may be adversely affected due to retrospective tax law changes by the Indian government affecting our Company.***

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term “substantially” has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in the Income Tax Act have been made retrospectively, there cannot be an assurance that such retrospective changes will not happen again.

51. ***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 expansion plans 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.

52. ***Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business.***

India’s sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, which are outside our control. Any adverse revisions to India’s credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

53. ***Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

The Articles of Association and Indian law govern the corporate affairs of our Company. Legal principles relating to these matters and the validity of corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those applicable to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholders of our Company than as shareholders of a company in another jurisdiction.

54. ***We may require further equity issuances to satisfy our capital needs, which we may not be able to procure.***

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 regulatory regime or new guidelines, and (iii) significant depletion in our existing capital base due to unusual operating losses. We may not be able to raise such additional capital at the time it is needed or on terms and conditions favourable to us or to the existing shareholders.

55. ***Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.***

Our business and operations are governed by various laws and regulations. Our business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

There can be no assurance that the relevant governmental authorities will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations.

For instance, the Companies Act, 2013 has recently been passed by the Indian Parliament and has received assent of the President of India. Certain sections of the Companies Act, 2013, have been notified and the corresponding sections of the Companies Act, 1956 have ceased to have effect from the date of notification of such sections of the Companies Act, 2013. Whilst the Companies Act, 2013 is not yet fully operational, it envisages significant changes to the Indian company law framework, including the issue of capital by companies, corporate governance, audit matters and corporate social responsibility, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Various provisions of the Companies Act, 2013, are subject to further directions to be issued by the GoI. In particular, we will be required to amend our memorandum of association and articles of association in order to comply with the Companies Act 2013. We have not yet determined other significant impact of this legislation on our business.

56. ***You will not be able to immediately sell any of our Equity Shares purchased through this Issue on Stock Exchanges until the receipt of appropriate trading approvals from Stock Exchanges.***

Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the stipulated time period. Any failure or delay in obtaining the approvals would restrict your ability to dispose of your Equity Shares.

57. ***Inflation in India may adversely affect our business.***

India has experienced in the past and is currently experiencing high rates of inflation. We can provide no assurance that high rates of inflation will not continue or even increase in the future, which could have an effect on the demand for natural gas and our ability to sell those products. In addition, from time to time, the Government of India has taken measures to control inflation, which have included tightening monetary policy by raising interest rates, restricting the availability of credit and inhibiting economic growth. Inflation, measures to combat inflation and public speculation about possible governmental actions to combat inflation have also contributed significantly to economic uncertainty in India and heightened volatility in the Indian capital markets. Periods of higher inflation may also slow the growth rate of the Indian economy which could also lead to a reduction in demand for natural gas and a decrease in our sales thereof. Inflation may also increase some of our costs and expenses. Moreover, the reporting currency of our financial statements is the Indian Rupee, and fluctuations in the value of the Indian Rupee that result from inflation, could affect our results of operations and financial condition. To the extent demand for our products decreases or our costs and expenses increase and we are not able to pass those increases in costs and expenses on to our customers, our operating margins and operating income may be adversely affected, which could have a material adverse effect on our business, financial condition and results of operations.

## **Risks Relating to the Issue**

58. ***Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by our Company, including a primary offering or ESOPs, may lead to the dilution of investors' shareholdings in it. Any future equity issuances by our Company or sales of the Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for our Company, including difficulty in raising debt financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of the Equity Shares.

59. ***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 179 of this 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.

60. ***After the Issue, 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 Issue as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance or those of GDL; performance of our competitors; adverse media reports about us or the Indian logistics sector generally; changes in the estimates of our or GDL, performance or recommendations by financial analysts; changes to the market price of the listed shares of GDL; significant developments in India's economic liberalization 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 Issue.

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

61. ***Investors 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. 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.

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

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 Issue. 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 Issue, 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 Issue Price.

63. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect investors' ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Subsequent to listing, the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the stock exchanges based on historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of investors to sell Equity Shares or the price at which investors may be able to sell their Equity Shares.

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

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares does not comply with such pricing guidelines or reporting requirements, or falls under any of the exceptions referred to above, then prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate any such foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular term or at all.

65. ***Fluctuations in the exchange rate of the Rupee and other currencies could have a material adverse effect on the value of the Equity Shares, independent of our financial results.***

The Equity Shares will be quoted in Rupees on the BSE and the NSE. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into appropriate foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

66. ***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. 6 (six) of our 8 (eight) Directors and certain 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.

Section 44A of the Civil Procedure Code, provides that where a foreign judgment has been rendered by a court in any country or territory outside India, which the Government of India has by notification declared to be 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. The United Kingdom has been declared by the Government of India to be a reciprocating territory for the purposes of section 44A. However, the United States has not been declared by the Government of India to be a reciprocating territory for the purposes of section 44A. A judgment of a court in the United States may be enforced in India only by a suit upon the judgment, subject to section 13 of the Civil Procedure Code and not by proceedings in execution. 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. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

**Prominent Notes:**

- Public Issue of 42,000,000 Equity Shares for cash at a price of ₹ 47 per Equity Share (including a share premium of ₹ 37 per Equity Share) aggregating to ₹ 1,974,000,000 million.
- As of March 31, 2012, March 31, 2013, and March 31, 2014, the Net Worth of our Company was ₹1,085.48 million, ₹1,284.27 million and ₹2,213.04 million, respectively, in accordance with the restated financial information. For further details, please see the section entitled '*Financial Statements of our Company*' on page 180 of this Prospectus. (***Net Worth***, for purposes of the foregoing paragraph means the aggregate of share capital and reserves and surplus of our Company.)
- As of March 31, 2013 and March 31, 2014, the Net Asset Value per Equity Share was ₹12.48 and ₹17.83 respectively, in accordance with the restated financial information. (***Net Asset Value per Equity Share*** for purposes of the foregoing paragraph means total shareholders' funds of our Company divided by the issued and outstanding number of equity shares of our Company, as on a particular date.)
- As on date of this Prospectus, the average cost of acquisition of Equity Shares of our Company by our Promoter is ₹15.50 per Equity Share.
- Except as disclosed in the chapter entitled '*Related Party Transactions*' on page 178 of this Prospectus, none of our Group Companies have any business interest or other interest in our Company and there have been no transactions between our Company and any of our Group Companies.
- For details of related party transactions entered into by our Company with its Group Companies during the last financial year, the nature of transactions and the cumulative value of transactions and business or other interests of Group Companies in our Company, please see the chapter entitled '*Related Party Transactions*' on page 178 of this Prospectus.
- Pursuant to a fresh certificate of incorporation by Registrar of Companies, Karnataka on March 17, 2011, the name of our Company was changed from Snowman Frozen Foods Limited to our present name. For information on changes in our Registered Office, please refer to the chapter '*History and Certain Corporate Matters*' on page 140 of this Prospectus.
- There has been no financing arrangement whereby the Promoter Group, the directors of the Promoter, our 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 the financing entity during the period from six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

- Investors may contact the BRLM who has submitted the due diligence certificate to SEBI, for any complaint pertaining to the Issue. All grievances pertaining to the Issue and all future communications in connection with queries related to Allotment, credit of Equity Shares, refunds, non-receipt of Allotment Advice and other post-Issue matters should be addressed to the Registrar to the Issue. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs. In case of queries related to ASBA Bids submitted to the members of the Syndicate at the Specified Cities, the Bidders should also contact the relevant member of the Syndicate. In case of Bids submitted through Non Syndicate Registered Brokers, the Bidders should also contact the relevant Non Syndicate Registered Broker through whom he/she has submitted the Bid for any queries. All such communications should quote the full name and address of the Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Non Syndicate Registered Broker or the Designated Branch of the SCSB, as the case may be, where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the Bid Amounts blocked and the ASBA Account number in which the Bid Amount was blocked.

## SECTION III: INTRODUCTION

### SUMMARY OF INDUSTRY

The following is a summary of the industry overview. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter entitled 'Industry Overview' on page 108 of this Prospectus.

*We have relied on websites and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### Indian Economy

India, one of the most populous countries in the world with an estimated population of 1.2 billion; i.e. approximately 17% of the total global population, is also one of the largest economies on a purchasing power parity basis with a GDP of approximately USD 1.9 trillion.

In 1991, the Government of India, with a view to promote economic stability and growth, adopted a series of comprehensive macroeconomic and structural reforms focused on deregulation of industry, accelerating foreign investment and implementing a privatization program for disinvestment in public sector units. Consequent to the reforms, India's economy registered robust growth over the last decade. The following table illustrates India's real GDP growth between Fiscals 2009 and 2013 (at factor cost at constant 2004-05 prices):

| Fiscal 2009 | Fiscal 2010 | Fiscal 2011 | Fiscal 2012 | Fiscal 2013 |
|-------------|-------------|-------------|-------------|-------------|
| 6.72%       | 8.59%       | 9.32%       | 6.21%       | 4.96%       |

Source: <http://mospi.nic.in> "Summary of macroeconomic aggregates at constant (2004-05) prices, 1950-51 to 2012-13"

The Indian GDP is expected to grow at around 6% in Fiscal 2015, compared to a growth of 4.8% in Fiscal 2014.

India is expected to become the world's fifth largest consumer market by 2025 from its twelfth position in 2010. The key drivers for the growth in consumption are expected to be:

- *Higher affordability:* The rapid growth in the size of India's middle income and high income group is expected to result in doubling of the Indian household consumption by 2015.
- *Greater consumer acceptance:* Greater consumer acceptance of newer products driven by factors such as a younger population, faster urbanization, increase in the number of working women and lifestyle changes, along with other socio-economic factors is expected to result in a transition of the consumption pattern of the Indian consumer. Further, the growing international exposure among Indians has led to awareness of international cuisines resulting in increased acceptance and demand for such products.
- *Greater availability:* Deeper penetration, particularly of FMCG products, spurred by better distribution channels, coupled with spread of organized retail has increased availability manifold.
- *Greater awareness:* Greater media reach and penetration has, amongst others, resulted in a more aware and discerning consumer. Pertinently, this phenomenon is also no longer restricted to urban areas.

#### Temperature Controlled Logistics Industry

Temperature Controlled Logistics (TCL) refers to the series of links in the logistics chain of perishable products. TCL is responsible for preserving the quality to enable their availability during an off-season or making them available at locations far from the production/ processing locations. TCL comprises:

- *Warehousing:* Warehousing temperature sensitive products in custom built temperature controlled warehouses. The temperature controlled warehouse generally consists of several temperature zones capable of warehousing goods in the range of -25°C to +20°C.
- *Distribution:* Distribution entails primary and secondary transportation of temperature sensitive products from source to stores using temperature controlled containerized trucks and cargo trains. Certain containerized trucks are also modified to enable installation of temperature controlled zones.

Businesses which utilize cold chains in India include dairy, poultry and meat, seafood, ready-to-eat, chocolates, healthcare and pharmaceuticals, industrial products and fruit and vegetables.

India's temperature controlled logistics industry is estimated at ₹120,000 – ₹150,000 million and is poised to grow at 15% to 20%, year on year, for the next 3 to 5 years. The growth is expected to be driven *inter alia* by:

- An increase in the consumption of temperature sensitive perishables;
- Greater use of temperature controlled logistics in categories such as pharmaceuticals and fruits and vegetables; and
- An increase in the consumption of a gamut of niche and high end products that need to be maintained in temperature controlled environment.

Changing lifestyles and resultant consumer preferences for processed foods, off-season and exotic / high end fruits and vegetables and increased incidence of eating out (at quick service or other restaurants) is expected to drive the use of temperature controlled logistics. The spurt in growth is also expected to be fuelled by demand from Tier 2 and Tier 3 cities, in addition to the Tier I cities.

#### **Current state of the Indian TCL industry**

India falls under the category of low cold chain adoption countries i.e. countries with less than 10% of produce passing through a cold chain, reflecting a significant potential for growth.

Further, TCL providers in India are largely fragmented and generally focus on a single region or one aspect of the logistics chain such as storage or transportation. Consequently, there are very few integrated temperature controlled logistics service providers, and in particular, integrated service providers with the ability to service customers on a pan-India basis.

It is generally estimated that the current share of organized players is only around 6%-7% in the temperature controlled warehousing segment and 15-20% in the temperature controlled transportation; consequently, the potential for growth in organized services is immense. As against an overall market growth of around 15%, organized outsourced temperature controlled services are expected to grow at around 20% p.a.

In terms of volume, the existing capacity is estimated to be around 30 million MT of temperature controlled warehousing and around 7,000-8,000 Reefer Vehicles.

Of the existing cold warehousing capacity, 75% is dedicated to potatoes while 23% is classified as 'Multipurpose' i.e. catering to multiple commodities across dairy products, frozen foods, fruits and vegetables and the balance 2% is used across meat and seafood.

#### **Prominent characteristics of the TCL industry**

*High capital and operating expenditure:* Maintaining the required controlled conditions in terms of temperature, humidity, air flow etc. necessitates investment in appropriate refrigeration and insulation equipment which makes the cold chain business capital intensive. Continuous operation of the cold store / refrigeration unit to avoid thermal shock also leads to high power consumption making profitability sensitive to power costs.

*Seasonality of Demand:* especially in the case of fruit and vegetables makes the cold chain business susceptible to seasonal variations. However, catering to commodities with complementary seasonality helps to avoid fluctuation in utilizations.

*Technical nature:* Provision of quality and reliable cold chain services necessarily requires an understanding of the specific requirements of perishables; for instance, apart from the temperature and humidity requirements of specific fruits, one needs to be aware of the ‘breathing’ (Air flow) requirement, moisture retention etc. Lack of this knowledge can lead to multiple issues that reduce or eliminate the value of a product.

The key trends shaping the industry include:

- Deeper penetration of high technology controlled atmosphere warehousing that enables significant increase in extendibility of the life of fruits;
- Increasing involvement of cold chain service providers in trading of fruits and vegetables to tie-up capacity utilization; and
- The industry enjoys increasing support from the government in the form of multiple policies and incentives to ensure development of requisite infrastructure to avoid waste and inefficiencies on account of lack of the cold chain.

## SUMMARY OF BUSINESS

*The following is a summary of our business. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter entitled 'Our Business' on page 115 of this Prospectus.*

### Overview

We commenced our business as a trader of frozen marine products and in Fiscal 1998, we commenced cold storage operations at 4 (four) locations. We have, since then, expanded our operations to become an integrated temperature controlled logistics service provider with an ability to service customers on a pan-India basis.

Our operations can be classified into the following business segments:

1. Temperature controlled services; and
2. Ambient distribution.

While in previous financial years we only operated in the temperature controlled services and ambient distribution business segments, in Fiscal 2014 we commenced ambient warehousing as well.

Our warehousing solutions cover the complete spectrum of temperature ranges from ambient to chilled and frozen (i.e. +20°C to -25°C). We offer blast freezing facilities at our temperature controlled warehouses in Bengaluru, Mevalurkuppam, (near Chennai), Visakhapatnam, Serampore (near Kolkata), Taloja (near Mumbai), Ahmedabad, Palwal (near Delhi), Mubarakpur (near Chandigarh) and Surat. Our integrated 'Source to Stores' operations comprise warehousing, primary distribution and secondary distribution and value-added services including kitting, labelling, sorting and bulk breaking.

As of March 31, 2014, our operations comprised 23 temperature controlled warehouses across 14 locations in India including Serampore (near Kolkata), Taloja (near Mumbai), Palwal (near Delhi), Mevalurkuppam, (near Chennai) and Bengaluru capable of warehousing 58,543 pallets and 3,000 ambient pallets. As of March 31, 2014, we operated 370 Reefer vehicles consisting of 307 leased and 63 owned vehicles. As of March 31, 2014, we engaged a total workforce of 1,490 including 383 permanent employees and 1,107 on a contract labour basis.

A majority of our temperature controlled warehouses are ISO 14001 (TUV-SUD), ISO 22000 (TUV-SUD) and FSSAI certified. In addition, 4 (four) of our temperature controlled warehouses are EIA and MPEDA (Marine Products Export Development Authority) certified and 4 (four) temperature controlled warehouses are certified under the Drugs and Cosmetics Act, 1940.

Our distribution services comprise primary and secondary transportation. The primary transportation (long haul) generally facilitates inter-city transport of products. The primary transport service includes door to door service, customized Milk Runs and Part Cargo Consolidation. We also provide secondary transportation i.e. last mile distribution, supplying, amongst others, QSRs, retail outlets, restaurants and the hotels.

The product segments we cater to include:

- Dairy products including butter and cheese;
- Ice-cream;
- Poultry and meat;
- Sea food;
- Ready-to-eat / ready-to-cook food products;
- Confectioneries including chocolate and baked products;
- Fruits and vegetables;
- Healthcare and pharmaceutical products; and
- Industrial products such as x-ray, and photo-imaging, films.

GDL is our Promoter and our largest shareholder. Our other shareholders include Mitsubishi Corporation, Mitsubishi Logistics Corporation, International Finance Corporation and Norwest Venture Partners VII-A Mauritius.

Our total revenue increased from ₹1,141.03 million in Fiscal 2013 to ₹1,552.33 million in Fiscal 2014. Our net profit as restated also increased from ₹198.79 million in Fiscal 2013 to ₹232.27 million in Fiscal 2014. Our total revenue in Fiscal 2014 comprised ₹1,518.57 million and ₹15.50 million, constituting 97.83% and 1.00%, respectively, from each of temperature controlled services and ambient distribution business.

### ***Competitive Strengths***

We believe that the following are our core competitive strengths:

#### **Pan-India integrated temperature controlled logistics services**

We believe we are one of the largest integrated temperature controlled logistics service providers operating 23 temperature controlled warehouses spread across 14 locations with an ability to service customers on a pan-India basis. We have set-up our temperature controlled warehouses adjacent to cities with a large potential for sourcing and/or consumption of temperature sensitive products including the larger cities such as Mumbai, Chennai, Bengaluru and Kolkata. Our distribution network comprises primary and secondary transportation. As of March 31, 2014, we operated 226 primary transportation vehicles with an ability to cover over 242 cities and towns and 144 secondary transportation vehicles supplying, amongst others, to QSRs, retail outlets, restaurants and hotels within a city. Our integrated operations enable us to maintain the temperature integrity of the customers' products from the point of origin to the consumption point, which is critical for product quality.

#### **Domain Knowledge and technological advantage**

We believe that our experience in setting-up and operating temperature controlled warehouses across different geographic locations in India enables us to better conceptualise and execute the construction of such warehouses.

In addition, we believe that the technology used in our operations is state-of-the-art and we have customised it to suit our operational requirements based on our experience and understanding of our customers' requirements. Our warehousing infrastructure comprises advanced equipment handling and racking system. Further, we use software systems such as warehouse management systems and enterprise resource planning (**ERP**). We employ a real time data logging system that enables us to monitor temperature variations in products both in our temperature controlled warehouses and in a majority of our Reefer Vehicles. In addition, a majority of our Reefer Vehicles are equipped with GPS and GPRS technologies including a few vehicles that are equipped with advanced geo-fencing (i.e., a virtual perimeter for a real-world geographic area) capabilities. These technologies enable us to monitor the progress of our Reefer Vehicles. Further, measures such as palletisation of our storage capacity have enhanced our ability to maintain the quality of the products by stacking products in a manner which enables us to employ more efficient inventory management systems such as first-expiry-first-out (**FEFO**) and first-in-first-out (**FIFO**). We are also members of global industry associations such as Global Cold Chain Alliance (**GCCA**), International Association of Refrigerated Warehouses (**IARW**) and World Food Logistics Organisation (**WFLO**), which enable us to keep abreast with the global developments in the temperature controlled logistics industry in addition to providing us with networking opportunities.

#### **Ability to attract competing brands**

We believe that one of the key factors of success in the temperature controlled logistics business in India is brand neutrality i.e. catering to customers who compete with each other in their respective business segments. We have, over the years, warehoused and distributed various products belonging to entities that are business competitors. Illustratively, we warehouse and distribute products for 4 (four) companies engaged in the business of ice-cream. In India's extremely competitive FMCG segment, the ability to rely on the service provider is critical. The inventory and the specific products managed by us are proprietary to each customer and disclosure of these details could have a significant impact on the performance of the product.

We believe that our continuing ability to service customers who compete with each other in business segments is a testament to our brand neutrality and the confidence reposed in us.

## **Management expertise**

We believe that we have a strong management team led by persons with significant experience in the logistics industry. Our Board comprises Directors who have extensive experience in the setting up and managing companies in the logistics sector. In addition, we also have a management team of qualified professionals, who have expertise and experience in the temperature controlled logistics sector. Our management team comprises skilled and capable professionals who assist the Board in identifying new opportunities and in implementing our business strategies. For further details please see the chapter entitled '*Our Management*' on page 148 of this Prospectus.

## **Focus on quality**

Of our 23 temperature controlled warehouses 22 are ISO 22000 certified temperature controlled warehouses, 18 are ISO 14001 certified temperature controlled warehouses and 23 are FSSAI certified temperature controlled warehouses. We adhere to strict guidelines while managing our inventory. We employ a matrix which enables us to identify products that are incompatible to be stored together. Illustratively, we do not store vegetarian products with products containing meat ingredients. Further, our modern warehousing infrastructure comprises equipment handling and racking system as well as warehouse management systems and enterprise resource planning (ERP). We employ a real time data logging system that enables us to monitor temperature variations in products constantly irrespective of whether the product is in our temperature controlled warehouse or in our Reefer Vehicles. This ensures that we can address any concerns immediately thereby ensuring that the quality of the product is not compromised.

## **Established Client Base**

We cater to large corporates across various industry sectors such as dairy, ice-creams, chocolates, and poultry and meat, which avail of temperature controlled logistic services. Some of our more prominent customers are Hindustan Unilever Limited, Graviss Foods Private Limited, Novozymes South Asia Private Limited, McCain Foods India Private Limited, West Coast Fine Foods India Private Limited, Amrit Hatcheries Private Limited, Tamil Nadu Co-operative Milk Producers Federation, Shriram Distribution Services Private Limited, Kris Flexipacks Private Limited, Al-Karim Exports Private Limited, Indian Immunologicals Limited, Suguna Food Limited, Karnataka Co-operative Milk Producers' Federation Limited and Ferrero India Private Limited.

Most of our large customers (in terms of revenue and volumes) have remained largely unchanged over the last three years. During Fiscal 2012, Fiscal 2013 and Fiscal 2014, our top twenty customers constituting approximately 2.95%, 1.45% and 1.91% of our total customer base, contributed approximately ₹306.49 million, ₹443.66 million and ₹676.57 million of our total revenues, respectively. We believe that this is recognition of our capabilities and our ability to retain customers.

## **Strong promoter and investor base**

We were incorporated with the objective of providing captive services to our then promoter which was engaged in trading of frozen marine products. Subsequently, with the infusion of capital from Brooke Bond India Limited (as it then was) we expanded the scope of our operations to include other frozen food products. Since establishing integrated operations we were able to garner domestic and foreign investment from established companies such as GDL, our Promoter, and international operators such as Mitsubishi Corporation and Mitsubishi Logistics Corporation.

GDL, our Promoter, one of the largest Indian logistics service providers, operates, directly and through its subsidiaries, container freight stations located at major Indian ports and an inland container terminal. We believe that GDL's experience in the logistics sector, business relationships and financial stability instils confidence in our customers who prefer dependable and established service providers. Further, we leverage the corporate, institutional and banking relationships of GDL for our businesses operations. In addition, we believe that our association with GDL has also enabled us to attract strong financial investors such as IFC and NVP. We believe that we can leverage our association with GDL in augmenting our business.

We believe our strong investor base has, amongst others, been an important factor in establishing our reputation as an integrated solutions provider in an industry surfeit with regional and / or unorganised operators.

## **Business Strategy**

### **Maintaining our position in the temperature controlled logistics service industry**

The size of the Indian temperature controlled logistics industry estimated to be around ₹120,000 – ₹150,000 million, at present, is expected to grow at 15%-20% per annum over the next 5 years with the organised market growing at the higher end of the range. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We believe that as one of the leading temperature controlled logistics service providers, we are strategically placed to benefit from the expected growth in the industry.

Further, the Indian retail industry is expected to increase from an estimated USD 520 billion in 2012 to USD 750-850 billion by 2015. The food and grocery industry constituting 60% is the largest component of the retail industry. The organised retail segment, though, constitutes only 8% of the total Indian retail market. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We are proposing to increase our warehousing capacity and distribution network to enable us to meet the growing demands of the market. Further, given that a vast majority of our customers are the producers / importers of temperature sensitive products, lack of well-equipped storage facilities and transportation facilities limits their ability to stock such products which, consequently, acts as a deterrent against increasing production / import. Enhancing our storage facilities and scaling up our distribution model, we believe, will facilitate an increase in manufacturing / produce / import of temperature sensitive products. In addition to broadening our customer base, we expect to leverage our existing relationships with established customers to garner additional business.

In addition to enhancing our storage capacity, we are also evaluating setting up temperature controlled warehouses in food parks for processing fruits and vegetable. The Ministry of Food Processing Industries, Government of India, has launched the Mega Food Parks Scheme (MFPS), which aims to accelerate the growth of food processing industry in India by facilitating the establishment of a strong food processing infrastructure backed by an efficient supply chain. As of Fiscal 2012, the Government had approved 13 such projects were approved and 15 have been accorded in-principle approval. We believe that we have the capability to set up temperature controlled warehouses in food parks which we believe will enable us to augment our growth.

### **Augmenting our market share by penetrating markets catered to by regional and / or unorganised operators and in Tier II and Tier III cities**

A vast majority of the temperature controlled logistics service providers are regional and / or unorganised operators. At present, it is estimated that over 90% of the temperature controlled logistics warehousing and around 80% of temperature controlled distribution are catered to by regional and / or unorganised operators who have neither the requisite facilities nor the technical skills to be able to offer complete logistics solutions. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] With increasing consumer awareness, higher standards of living and heightened concerns regarding hygiene, we expect the demand for quality food products to increase. Further, we believe that increasingly strict food safety norms coupled with increasing consumer awareness will prompt entities in the consumer foods business to move towards established temperature controlled service providers. We believe that our ability to handle temperature sensitive products, technical skills and adherence to food safety standards will enable us to penetrate markets catered to by regional and unorganised operators.

At present, we have the ability to service customers on a pan-India basis with temperature controlled warehousing operations near a few prominent cities such as Mumbai, Chennai, Bengaluru and Kolkata. However, over the last decade the demand for quality food products has increased and consumer spending in Tier II and Tier III cities has been steadily on the rise, and this trend is expected to continue. For instance, it is expected that growth in the QSR segment (expected to grow at a rate of 30% per annum) will be particularly prominent in Tier II and Tier III cities. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We believe that Tier II and Tier III cities present significant growth opportunities to our customers and, consequently, us. Expanding our operations into cities such as Baramati, Surat and Bhubaneswar will widen our reach and attract potential customers who are either operating or proposing to venture into nascent markets. We believe that our expanded warehousing operations coupled with the standard and quality of service we offer will augment our growth.

### **Increasing our revenue share from value added services**

We believe that, apart from expanding our reach to new customers, one of the critical means of increasing our margins is to enhance the range of services that we offer to our existing customers. We propose to increase our revenues from our existing value added services (VAS) such as kitting, labelling and sorting. Further, we attempt to evaluate our customers' needs on a regular basis which enables us to customise our service offerings.

In Fiscal 2014, VAS contributed 1.05% and 5.20% to our revenue and profits respectively. Consequently the revenue earned from these services increased by 109.15% for the same period. While the revenue generated from VAS is not significant, it is an important component of our business operations since the cost involved in providing VAS is negligible.

The key criterion in providing value added services is the availability of floor space. One of the main objects of this Issue is to set-up new temperature controlled warehouses which, when complete, will increase the available floor space significantly. We believe the additional floor space we will gain from expansion will boost our ability to provide value added services to our customers.

Further, we propose to provide additional VAS in the fruit and vegetable segment. We are proposing to offer certain other value added services such as pre-cooling, ripening and processing of fruits and vegetables in addition to our already existing services such as cleaning, grading, sorting, cutting and packing of fruits and vegetables. We believe we have the required infrastructure, expertise and available labour force to add these to our service offerings.

### **Increasing our client engagement through vendor consolidation**

Of the total Indian retail market, organized retail constituting 8% is expected to grow at 30%, as against the overall market growth, which is forecasted at 16-18% in the same period. Within the organized retail the food segment is expected to grow at a fast pace of 14-15% on the back of which demand for temperature controlled logistics is expected to increase. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*]. With several MNC's proposing to enter the Indian markets in the organized retail segment, we believe that this business proposition will provide us a comprehensive understanding of purchase planning, consumer preferences, demand and supply, store management and vendor management in the QSR or hospitality segment. This, we believe, would augment our ability to cater to entry level MNC QSRs. We are in negotiations for managing the entire temperature controlled supply chain of certain prominent QSRs. We intend to engage the services of a supply chain management facilitator to provide us critical support.

### **Competition**

The Indian temperature controlled logistics business is largely catered to by regional service providers with approximately 6%-7% in warehousing and 15-20% in transportation catered to by organised operators. Further there are very few organised operators who have a comprehensive pan-India presence. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] In addition, a number of service providers operate only in one or the other sector i.e. either temperature controlled warehouse business or temperature controlled distribution business. Therefore, we compete against various operators in different business segments in different geographic locations in addition to the regional and / or unorganised service providers.

## SUMMARY FINANCIAL INFORMATION

Our restated financial information is prepared in accordance with the Companies Act and restated pursuant to the SEBI ICDR Regulations. Unless otherwise stated, the financial information in this section has been derived from the restated financial information of our Company.

The summary financial information presented below should be read in conjunction with the financial information, the notes thereto and the sections 'Financial Statements of our Company' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 180 and 247, respectively.

### Restated Statement of Assets and Liabilities, as at,

(₹ in million)

| S.N o.   | Particulars                         | March 31, 2014  | March 31, 2013  | March 31, 2012  | March 31, 2011  | March 31, 2010  |
|----------|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>1</b> | <b>Equity and Liabilities</b>       |                 |                 |                 |                 |                 |
|          | <b>Shareholder's Funds</b>          |                 |                 |                 |                 |                 |
| a        | Share capital                       | 1,241.06        | 1,029.07        | 1,029.07        | 1,029.07        | 1,029.07        |
| b        | Reserves and surplus                | 971.98          | 255.20          | 56.41           | 7.20            | (56.37)         |
| <b>2</b> | <b>Non-current liabilities</b>      |                 |                 |                 |                 |                 |
| a        | Long-term borrowings                | 904.00          | 909.00          | -               | -               | -               |
| b        | Deferred tax liabilities (Net)      | -               | -               | 43.25           | 10.54           | -               |
| c        | Long-term provisions                | 2.42            | 3.71            | 2.41            | 1.25            | 0.98            |
| <b>3</b> | <b>Current liabilities</b>          |                 |                 |                 |                 |                 |
| a        | Short-term borrowings               | 402.50          | -               | -               | -               | -               |
| b        | Trade payables                      | 45.35           | 53.31           | 30.66           | 19.74           | 27.04           |
| c        | Other current liabilities           | 315.17          | 181.61          | 46.09           | 38.98           | 24.68           |
| d        | Short-term provisions               | 1.90            | 0.84            | 1.43            | 0.18            | 0.82            |
|          | <b>Total</b>                        | <b>3,884.38</b> | <b>2,432.74</b> | <b>1,209.32</b> | <b>1,106.96</b> | <b>1,026.22</b> |
|          | <b>Assets</b>                       |                 |                 |                 |                 |                 |
| <b>4</b> | <b>Non-Current Assets</b>           |                 |                 |                 |                 |                 |
| a        | <b>Fixed assets</b>                 |                 |                 |                 |                 |                 |
|          | Tangible assets                     | 2,487.38        | 1,566.62        | 738.02          | 566.15          | 298.89          |
|          | Intangible assets                   | 12.64           | 7.49            | 5.54            | 7.16            | -               |
|          | Capital work-in-progress            | 424.34          | 319.58          | 101.86          | 53.31           | 87.09           |
|          | Intangible assets under development | -               | 0.92            | 3.32            | -               | 3.89            |
| b        | Long term loans and advances        | 168.25          | 111.62          | 81.80           | 72.72           | 68.83           |
| c        | Other non-current assets            | 1.40            | 1.23            | 2.11            | -               | 1.75            |
| d        | Deferred tax asset (Net)            | 163.81          | 50.46           | -               | -               | 0.55            |
| <b>5</b> | <b>Current assets</b>               |                 |                 |                 |                 |                 |

|   |                               |                 |                 |                 |                 |                 |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| a | Inventories                   | -               | -               | 0.54            | -               | -               |
| b | Trade receivables             | 394.77          | 256.35          | 124.20          | 103.10          | 86.14           |
| c | Cash and bank balances        | 160.94          | 73.30           | 140.55          | 293.13          | 439.71          |
| d | Short-term loans and advances | 66.84           | 44.05           | 10.12           | 10.78           | 32.33           |
| e | Other current assets          | 4.01            | 1.12            | 1.26            | 0.61            | 7.04            |
|   | <b>Total</b>                  | <b>3,884.38</b> | <b>2,432.74</b> | <b>1,209.32</b> | <b>1,106.96</b> | <b>1,026.22</b> |

**Restated Statement of Statement of Profit and Loss, for the year ended,**

(₹ in million)

| Particulars                                                | March 31,<br>2014 | March 31,<br>2013 | March 31,<br>2012 | March 31,<br>2011 | March 31,<br>2010 |
|------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue</b>                                             |                   |                   |                   |                   |                   |
| Revenue from operations                                    | 1,534.07          | 1,136.95          | 613.96            | 451.66            | 345.70            |
| Other Income                                               | 18.26             | 4.08              | 28.02             | 24.23             | 23.33             |
| <b>Total Revenue (A)</b>                                   | <b>1,552.33</b>   | <b>1,141.03</b>   | <b>641.98</b>     | <b>475.89</b>     | <b>369.03</b>     |
| <b>Expenses</b>                                            |                   |                   |                   |                   |                   |
| Operating expenses                                         | 902.40            | 652.01            | 318.64            | 235.92            | 178.70            |
| Purchases of Stock-in-Trade                                | -                 | 8.23              | 3.87              | -                 | -                 |
| Changes in inventories of Stock-in-Trade                   | -                 | 0.54              | (0.54)            | -                 | -                 |
| Employee benefit expense                                   | 151.92            | 129.32            | 97.65             | 71.03             | 60.79             |
| Finance costs                                              | 111.79            | 23.99             | 0.53              | 0.06              | 0.24              |
| Depreciation and amortization expense                      | 149.71            | 90.71             | 58.77             | 40.21             | 36.10             |
| Other expenses                                             | 99.61             | 91.88             | 65.41             | 54.68             | 51.84             |
| <b>Total Expenses (B)</b>                                  | <b>1,415.43</b>   | <b>996.68</b>     | <b>544.33</b>     | <b>401.90</b>     | <b>327.67</b>     |
| <b>Profit before tax (A-B)</b>                             | <b>136.90</b>     | <b>144.35</b>     | <b>97.65</b>      | <b>73.99</b>      | <b>41.36</b>      |
| <b>Tax expenses</b>                                        |                   |                   |                   |                   |                   |
| Current tax (MAT)                                          | 29.32             | 44.62             | 4.86              | 9.24              | -                 |
| MAT Credit Entitlement                                     | -                 | -                 | (4.86)            | (9.24)            | -                 |
| Deferred tax                                               | (117.21)          | (90.23)           | 34.09             | 9.54              | -                 |
| <b>Profit for the year</b>                                 | <b>224.79</b>     | <b>189.96</b>     | <b>63.56</b>      | <b>64.45</b>      | <b>41.36</b>      |
| <b>Profit for the year before Restatement Adjustments</b>  | <b>224.79</b>     | <b>189.96</b>     | <b>63.56</b>      | <b>64.45</b>      | <b>41.36</b>      |
| <b>Restatement Adjustments:</b>                            |                   |                   |                   |                   |                   |
| (i) Adjustments on account of audit qualifications         | -                 | -                 | -                 | -                 | 2.66              |
| (ii) Other material adjustments relating to previous years | 11.34             | 5.35              | (15.73)           | 0.67              | (4.03)            |

|                                                      |               |               |              |              |              |
|------------------------------------------------------|---------------|---------------|--------------|--------------|--------------|
| (iii) Deferred tax adjustments<br>[credit/(charged)] | (3.86)        | 3.48          | 1.38         | (1.55)       | 0.47         |
| <b>Net Profit as Restated</b>                        | <b>232.27</b> | <b>198.79</b> | <b>49.21</b> | <b>63.57</b> | <b>40.46</b> |

**Restated Statement of Cash Flows, for the year ended,**

(₹ in million)

|           | Particulars                                                         | March<br>31, 2014 | March<br>31, 2013 | March<br>31, 2012 | March<br>31, 2011 | March<br>31, 2010 |
|-----------|---------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>A.</b> | <b><u>Cash flow from operating activities</u></b>                   |                   |                   |                   |                   |                   |
|           | Restated Profit before tax                                          | 148.24            | 135.60            | 95.66             | 75.02             | 39.99             |
|           | <b>Adjustments for :</b>                                            |                   |                   |                   |                   |                   |
|           | Depreciation                                                        | 149.71            | 90.71             | 58.77             | 40.21             | 36.10             |
|           | Liabilities no longer required written back                         | -                 | -                 | (0.83)            | (3.25)            | (0.58)            |
|           | Provision for Doubtful Debts and Advances                           | 21.83             | 14.65             | 10.01             | 10.17             | 11.89             |
|           | Assets written off                                                  | 0.22              | 0.62              | 0.69              | 0.34              | 0.18              |
|           | Bad Debts/Irrecoverable advances written off                        | (15.81)           | 13.09             | 2.86              | 2.21              | 2.09              |
|           | (Profit) / Loss on sale of fixed assets                             | (0.62)            | (1.21)            | (0.76)            | -                 | (0.02)            |
|           | Employees Stock Options Expense                                     | 1.44              | -                 | -                 | -                 | -                 |
|           | Interest income                                                     | (17.58)           | (1.99)            | (19.30)           | (23.46)           | (18.43)           |
|           | Interest expense                                                    | 111.79            | 23.03             | 0.29              | 0.06              | 0.24              |
|           | Operating profit before working capital changes                     | <b>399.22</b>     | <b>274.50</b>     | <b>147.39</b>     | <b>101.30</b>     | <b>71.46</b>      |
|           | <b>Changes in Working Capital:</b>                                  |                   |                   |                   |                   |                   |
|           | (Increase) / decrease in inventories                                | -                 | 0.54              | (0.54)            | -                 | -                 |
|           | (Increase) / decrease in trade receivables                          | (144.43)          | (159.88)          | (33.97)           | (29.34)           | (30.93)           |
|           | (Increase) / decrease in loans and advances                         | (69.72)           | (75.02)           | (13.36)           | 29.02             | (26.68)           |
|           | Increase in current liabilities                                     | 0.80              | 117.86            | 21.28             | 9.88              | 10.96             |
|           | <b>Cash generated from operations</b>                               | <b>185.87</b>     | <b>158.00</b>     | <b>120.80</b>     | <b>110.86</b>     | <b>24.81</b>      |
|           | Direct taxes paid (net of refunds)                                  | (39.21)           | (18.39)           | (10.90)           | (9.94)            | (5.86)            |
|           | <b>Net cash generated from operating activities (A)</b>             | <b>146.66</b>     | <b>139.61</b>     | <b>109.90</b>     | <b>100.92</b>     | <b>18.95</b>      |
| <b>B.</b> | <b><u>Cash flow from investing activities</u></b>                   |                   |                   |                   |                   |                   |
|           | Purchase of tangible/intangible assets                              | (1,179.89)        | (1,137.86)        | (283.95)          | (277.33)          | (85.78)           |
|           | Sale of Fixed Assets                                                | 0.83              | 1.89              | 3.11              | -                 | 0.21              |
|           | Interest received                                                   | 14.69             | 2.14              | 18.65             | 29.89             | 21.42             |
|           | <b>Net cash from / (used in) investing activities (B)</b>           | <b>(1,164.37)</b> | <b>(1,133.83)</b> | <b>(262.19)</b>   | <b>(247.44)</b>   | <b>(64.15)</b>    |
| <b>C.</b> | <b><u>Cash flow from financing activities</u></b>                   |                   |                   |                   |                   |                   |
|           | Repayment of long term borrowings                                   | (41.00)           | -                 | -                 | -                 | (0.76)            |
|           | Proceeds from long term borrowings                                  | 150.00            | 950.00            | -                 | -                 | -                 |
|           | Proceeds from short term borrowings                                 | 402.50            | -                 | -                 | -                 | -                 |
|           | Proceeds from issue of shares                                       | 211.99            | -                 | -                 | -                 | 205.70            |
|           | Proceeds from securities premium (net)                              | 483.07            | -                 | -                 | -                 | 32.95             |
|           | Interest paid                                                       | (101.21)          | (23.03)           | (0.29)            | (0.06)            | (0.24)            |
|           | <b>Net cash from / (used in) financing activities (C)</b>           | <b>1,105.35</b>   | <b>926.97</b>     | <b>(0.29)</b>     | <b>(0.06)</b>     | <b>237.65</b>     |
|           | <b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>87.64</b>      | <b>(67.25)</b>    | <b>(152.58)</b>   | <b>(146.58)</b>   | <b>192.45</b>     |
|           | <b>Cash and Cash Equivalents at the beginning of the year</b>       | <b>73.30</b>      | <b>140.55</b>     | <b>293.13</b>     | <b>439.71</b>     | <b>247.26</b>     |
|           | <b>Cash and Cash Equivalents at the end of</b>                      | <b>160.94</b>     | <b>73.30</b>      | <b>140.55</b>     | <b>293.13</b>     | <b>439.71</b>     |

|  |                                                                               |               |              |               |               |               |
|--|-------------------------------------------------------------------------------|---------------|--------------|---------------|---------------|---------------|
|  | <b>the year</b>                                                               |               |              |               |               |               |
|  | Cash and Cash Equivalents comprises of:                                       |               |              |               |               |               |
|  | Cash on Hand                                                                  | 0.98          | 1.49         | 0.28          | 0.28          | 0.30          |
|  | Cheques on Hand                                                               | 0.61          | 4.66         | 3.92          | 0.56          | 0.49          |
|  | <b>Balance with Banks</b>                                                     | -             |              |               |               |               |
|  | In current Accounts                                                           | 28.34         | 37.70        | 17.04         | 12.06         | 9.28          |
|  | Deposit Accounts                                                              | 120.05        | 20.00        | 110.22        | 270.63        | 424.39        |
|  | <b>Other bank balance</b>                                                     |               |              |               |               |               |
|  | - Long term deposits with maturity more than 3 months but less than 12 months | 10.96         | 9.45         | 9.09          | 9.60          | 5.25          |
|  |                                                                               |               |              |               |               |               |
|  | <b>Total</b>                                                                  | <b>160.94</b> | <b>73.30</b> | <b>140.55</b> | <b>293.13</b> | <b>439.71</b> |

## THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter entitled ‘*Terms of the Issue*’ on page 325 of this Prospectus.

|                                                                                                                 |                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue <sup>#</sup>                                                                                              | 42,000,000 Equity Shares                                                                                                                         |
| A) QIB portion <sup>(1)</sup>                                                                                   | At least 31,500,000 Equity Shares                                                                                                                |
| <i>of which:</i>                                                                                                |                                                                                                                                                  |
| Anchor Investor Portion                                                                                         | 9,450,000                                                                                                                                        |
| Available for allotment to Mutual Funds only (5.00% of the QIB Portion (excluding the Anchor Investor Portion)) | 1,102,500 Equity Shares                                                                                                                          |
| Balance for all QIBs including Mutual Funds                                                                     | 20,947,500 Equity Shares                                                                                                                         |
| B) Non-Institutional Portion <sup>(2)</sup>                                                                     | Not more than 6,300,000 Equity Shares                                                                                                            |
| C) Retail Portion <sup>(2)(3)</sup>                                                                             | Not more than 4,200,000 Equity Shares                                                                                                            |
| Equity Shares outstanding prior to the Issue                                                                    | 124,443,357 Equity Shares                                                                                                                        |
| Equity Shares outstanding after the Issue                                                                       | 166,443,357 Equity Shares                                                                                                                        |
| <b>Use of Net Proceeds</b>                                                                                      | Please see the chapter entitled ‘ <i>Objects of the Issue</i> ’ on page 79 of this Prospectus for information about the use of the Net Proceeds. |

Allocation to all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis.

- <sup>(1)</sup> Our Company has, in consultation with the BRLM, allocated up to 30% 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 chapter entitled ‘*Issue Procedure*’ on page 333 of this Prospectus.
- <sup>(2)</sup> Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except QIBs, 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 BRLM and the Designated Stock Exchange.
- <sup>(3)</sup> Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion. The remaining available Equity Shares, if any, in Retail Portion shall be allotted on a proportionate basis to Retail Individual Bidders.

# the present issue has been authorised by our Board pursuant to its resolution dated August 1, 2013 and by our Shareholders pursuant to resolution dated August 5, 2013. This Prospectus has been approved by our Board of Directors pursuant to its resolution dated August 30, 2014.

## GENERAL INFORMATION

We were incorporated as Snowman Frozen Foods Limited, a public limited company under the Companies Act, 1956. We were granted a certificate of incorporation on March 17, 1993 and a certificate of commencement of business on May 31, 1993. Subsequently, on March 17, 2011, our name was changed to Snowman Logistics Limited pursuant to a fresh certificate of incorporation. *For further details, please see the chapter entitled titled 'History and Certain Corporate Matters' on page 140 of this Prospectus.*

### Registered Office

Sy. No. 36/1,  
Virgonagar, Old Madras Road,  
Bandapura Village, Bidarehalli Hobli,  
Bengaluru - 560 049  
Karnataka, India  
Tel No: + 91 80 3993 9500  
Fax No: + 91 80 3993 9500

### Corporate Office

54, Old Madras Road,  
Virgonagar,  
Bengaluru - 560 049  
Karnataka, India  
Tel No: +91 80 3993 9500  
Fax No: +91 80 3993 9500

E-mail: investorrelations@snowman.in  
Website: www.snowman.in  
Registration Number: 048636  
Corporate Identification Number: U15122KA1993PLC048636

For details of changes in our registered office, please refer the chapter entitled '*History and Certain Corporate Matters*' on page 140 of this Prospectus.

### Address of the RoC

Our Company is registered with the RoC, Karnataka situated at the following address:

#### Registrar of Companies

E wing, 2<sup>nd</sup> Floor,  
Kendriya Sadana,  
Koramangala,  
Bengaluru – 560034  
Karnataka, India  
Tel No.: +91 80 2556 7449 / 2563 3104  
Fax No.: +91 80 2553 8531

The Board of our Company comprises the following:

| Name                              | Designation                | DIN      | Address                                                                  |
|-----------------------------------|----------------------------|----------|--------------------------------------------------------------------------|
| Mr. Gopinath Pillai               | Chairman                   | 00268337 | 67, Hua Guan Avenue, Singapore, 589163                                   |
| Mr. Prem Kishan Dass Gupta        | Vice-Chairman and Director | 00011670 | 94, Sainik Farm, Khanpur, New Delhi, 110062                              |
| Mr. Shabbir Hakimuddin Hassanbhai | Independent Director       | 00268133 | 36, Keppel Bay Drive, #05-78, Caribbean at Keppel Bay, Singapore, 098653 |
| Mr. Saroosh Cowasjee              | Independent Director       | 00034110 | Adenwalla Baug, Tardeo, Mumbai                                           |

| Name                                               | Designation                                     | DIN      | Address                                                                                                        |
|----------------------------------------------------|-------------------------------------------------|----------|----------------------------------------------------------------------------------------------------------------|
| Dinshaw                                            |                                                 |          | 400007, Maharashtra, India                                                                                     |
| Mr. Kannan Ravindran Naidu                         | Whole time Director and Chief Executive Officer | 02813755 | 604, 6 <sup>th</sup> Floor, SPRUCE, G Block Raheja Residency , Koramangala, Bengaluru 560034, Karnataka, India |
| Mr. Michael Philip Pinto                           | Independent Director                            | 00021565 | 405, Shalaka, Maharshi Karve Road, Mumbai 400021, Maharashtra, India                                           |
| Mr. Masakazu Sakakida                              | Director                                        | 06505056 | 13, Panchsheel Marg, Chanakya Puri, New Delhi 110021, India                                                    |
| Mr. Alwarthirunagari Kuppuswamy Thiruvankata Chari | Independent Director                            | 00746153 | 181-A, Twin Towers, Prabhadevi, Mumbai 400025, Maharashtra, India                                              |

For further details of our Directors, please see the chapter entitled ‘*Our Management*’ on page 148 of this Prospectus.

#### **Chief Financial Officer, Company Secretary and Compliance Officer**

Mr. Sundar Mangadu Agaram  
54, Old Madras Road,  
Virgonagar,  
Bengaluru – 560 049  
Karnataka, India  
Tel No: + 91 80 3993 9500  
Fax No: + 91 80 3993 9500  
E-mail: investorrelations@snowman.in  
Website: www.snowman.in

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders.**

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed either to (i) the concerned member of the Syndicate and the relevant SCSB, in the event of a Bid submitted by an ASBA Bidder at any of the Syndicate ASBA Centres, or (ii) the concerned Non-Syndicate Registered Broker and the relevant SCSB. In the event of a Bid submitted by an ASBA Bidder at any of the Non-Syndicate Broker Centres, or (iii) the Designated Branch of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, in the event of a Bid submitted directly with a Designated Branch by an ASBA Bidder; in all cases with a copy to the Registrar of the Issue. All grievances relating to the Bids submitted through the Non-Syndicate Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

#### **Book Running Lead Manager**

##### **HDFC Bank Limited**

Investment Banking Group, Unit No, 401 & 402, 4th Floor,  
Tower B, Peninsula Business Park,  
Lower Parel, Mumbai 400 013  
Tel: +91 22 3395 8015  
Fax: +91 22 3078 8584  
E-mail: slipo@hdfcbank.com  
Investor grievance email: investor.redressal@hdfcbank.com  
Website: www.hdfcbank.com  
Contact Person: Mr. Amit Kumar Singh  
SEBI Registration No.: INM000011252

### **Legal Counsel to our Company**

#### **Bharucha & Partners**

2<sup>nd</sup> Floor, Hague Building  
9, S.S. Ram Gulam Marg,  
Ballard Estate  
Mumbai 400 001  
Tel No: +91 22 6132 3900  
Fax No: +91 22 6633 3900  
E-mail: projectchill@bharucha.in

### **Legal Counsel to the BRLM**

#### **Khaitan & Co**

One Indiabulls Centre, 13<sup>th</sup> Floor,  
841 Senapati Bapat Marg, Elphinstone Road,  
Mumbai 400013  
Tel No: +91 22 6636 5000  
Fax No: +91 22 6636 5050  
E-mail: sll.ipo@khaitanco.com

### **Registrar to the Issue**

#### **Link Intime India Private Limited**

C 13, Pannalal Silk Mills Compound  
LBS Marg, Bhandup (West)  
Mumbai 400 078  
Maharashtra, India  
Tel No.: +91 22 2596 7878  
Fax No.: +91 22 2596 0329  
Investor Grievance Email: sll.ipo@linkintime.co.in  
Website: www.linkintime.co.in  
Contact Person: Mr. Sachin Achar  
SEBI Registration No.: INR 0000 04058

### **Statutory Auditors**

#### **Price Waterhouse**

252, Veer Savarkar Marg,  
Shivaji Park, Dadar,  
Mumbai 400 028  
Tel No: +91 22 66691000  
Fax No: +91 22 66547800  
Email: snowman.chill@in.pwc.com  
Contact person: Mr. Uday Shah  
Firm registration No.: 301112E

### **Syndicate Member**

HDFC Securities Limited  
I Think Techno Campus,  
“Alpha”, Building - B,  
Office Floor 8,  
Opposite Crompton Greaves,  
Kanjurmarg,  
Mumbai – 400 042  
Tel: +91 22 30753400 / 30753442  
Fax: +91 22 30753435  
Investor grievance email: customercare@hdfcsec.com

Website: [www.hdfcsec.com](http://www.hdfcsec.com)  
Contact Person: Sunil Raula  
SEBI Registration No.: INB011109437 (BSE) and INB231109431 (NSE)

#### **Bankers to the Issue and Escrow Collection Banks**

HDFC Bank Limited  
FIG – OPS Department,  
Lodha, I Think Techno Campus,  
O-3 Level, Next to Kanjurmarg Railway Station,  
Kanjurmarg (East),  
Mumbai – 400 042  
Tel: +91- 22 30752928  
Fax: +91- 22 25799801  
Email: [uday.dixit@hdfcbank.com](mailto:uday.dixit@hdfcbank.com)  
Contact Person: Uday Dixit  
Website: [www.hdfcbank.com](http://www.hdfcbank.com)  
SEBI Registration: INBI00000063

YES Bank Limited  
IFC, Tower II, 8th Floor,  
Senapati Bapat Marg  
Elphinstone (W), Mumbai 400013  
Tel: +91- 22 33477251 / 7259  
Fax: +91- 22 33474504  
Email: [dlbtiservices@yesbank.in](mailto:dlbtiservices@yesbank.in)  
Contact Person: Mr. Shankar Vichare / Avinash Pawar  
Website: [www.yesbank.in](http://www.yesbank.in)  
SEBI Registration: INBI00000935

#### **Refund Banker**

HDFC Bank Limited  
FIG – OPS Department,  
Lodha, I Think Techno Campus,  
O-3 Level, Next to Kanjurmarg Railway Station,  
Kanjurmarg (East),  
Mumbai – 400 042  
Tel: +91- 22 30752928  
Fax: +91- 22 25799801  
Email: [uday.dixit@hdfcbank.com](mailto:uday.dixit@hdfcbank.com)  
Contact Person: Uday Dixit  
Website: [www.hdfcbank.com](http://www.hdfcbank.com)  
SEBI Registration: INBI00000063

#### **Bankers to our Company**

|                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HDFC Bank Limited<br>Peninsula Business Park, Tower B,<br>5th Floor, Lower Parel (West),<br>Mumbai – 400 013<br>Tel No.: +91 22 3395 8618 / +91 22 3395 8605<br>Fax No.: +91 80 6663 3143<br>Email:<br><a href="mailto:suresh.shanbhag@hdfcbank.com">suresh.shanbhag@hdfcbank.com</a> /<br><a href="mailto:kaushal.patel@hdfcbank.com">kaushal.patel@hdfcbank.com</a><br>Website: <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> | IndusInd Bank Limited<br>Centenary Building,<br>Ground Floor, No. 28, M G Road,<br>Bengaluru – 560001<br>Karnataka, India<br>Tel No.: +91 80 3028 7012 / 3028 7007<br>Fax No.: +91 80 2559 2309<br>Email: <a href="mailto:ravi.sudi@indusind.com">ravi.sudi@indusind.com</a><br>Website: <a href="http://www.indusind.com">www.indusind.com</a> | YES Bank Limited<br>IFC, Tower 2, 8 <sup>th</sup> Floor,<br>Senapati Bapat Marg,<br>Elphinstone (W),<br>Mumbai – 400 013<br>Tel No.: +91 22 3347 7251 / 3347 7259<br>Fax No.: +91 22 2421 4504<br>Email: <a href="mailto:dlbtiservices@yesbank.in">dlbtiservices@yesbank.in</a><br>Website: <a href="http://www.yesbank.in">www.yesbank.in</a> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### **Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on SEBI's website at <http://www.sebi.gov.in>. For details of the Designated Branches of the SCSBs which shall collect Bid cum Application Forms submitted by ASBA Bidders, please refer to the above-mentioned link.

### *Non-Syndicate Registered Brokers*

In accordance with the SEBI circular No. CIR/CFD/14/2012 dated October 4, 2012, investors can submit Bid-cum-Application Forms using the stock broker network of the stock exchanges, i.e. through Registered Brokers at the Broker Centres. The Bid-cum-Application Forms will be made available by the Stock Exchanges on their websites/broker terminals for download/print in more than 1,000 centres which are part of the nationwide broker network of stock exchanges where there is presence of the brokers' terminals. The details of Registered Brokers and Broker Centres are available on the websites of the BSE and NSE at <http://www.bseindia.com/> and <http://www.nseindia.com/>, respectively.

### **IPO Grading Agency**

The Issue has been graded by CRISIL Limited, a SEBI registered credit rating agency, as 4/5, indicating that the fundamentals of the Issue are above average in relation to other listed equity securities in India.

### **Experts**

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

- a. Report by the IPO Grading Agency dated March 10, 2014 furnishing the rationale of its grading of the Issue and the grading revalidation letter dated July 8, 2014;
- b. Our Company has received written consent from the Statutory Auditors namely, Price Waterhouse, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act in this Prospectus in relation to the report of the Statutory Auditors dated May 16, 2014 on the restated financial information of our Company, included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus. A written consent under the provisions of the Companies Act is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the Securities Act, the Statutory Auditors have not given consent under Section 7 of the Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as "experts" in this Prospectus in accordance with the requirements of the Companies Act. The term "experts" as used in this Prospectus is different from those defined under the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. The reference to the Statutory Auditors as "experts" in this Prospectus is not made in the context of the Securities Act but solely in the context of this initial public offering in India or the Issue; and
- c. Statement of Tax Benefits dated August 6, 2014 provided by V. Kiranmayi, Chartered Accountant.

The term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

### **Monitoring Agency**

Under the Regulation 16 of the SEBI ICDR Regulations, an issuer is required to appoint a monitoring agency if the issue size exceeds ₹5,000 million. Since the Issue will be for less than ₹5,000 million we are not required to appoint a monitoring agency. However, the Audit Committee of our Company will monitor the utilization of the Issue Proceeds, as per the Clause 49 of the Equity Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the Corporate Governance requirements.

## Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised any agency. The objects of the Fresh Issue and means of finance therefore are based on internal estimates of our Company.

## Inter-se Allocation of Responsibilities

HDFC Bank Limited is the sole Book Running Lead Manager to this Issue. The list of major responsibilities of the Book Running Lead Manager, *inter alia*, is as follows:

| Sr. No | Activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Responsibility and Coordination |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 1.     | Due diligence of our Company's operations/ management/ business plans/ legal. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements                                                                                                                                                                                                                                | HDFC Bank                       |
| 2.     | Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.<br><br>Appointment of all other intermediaries (for example, Registrar(s), printer(s) and Bankers to the Issue, advertising agency.)                                                                                                                                                                                                                                                                                                                                                                                                                   | HDFC Bank                       |
| 3.     | Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure and Preparation and finalisation of the road-show presentation                                                                                                                                                                                                                                                                                                                                                                                                                                                              | HDFC Bank                       |
| 4.     | Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalising road show schedules                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | HDFC Bank                       |
| 5.     | International institutional marketing including; allocation of investors for meetings and finalising road show schedules                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | HDFC Bank                       |
| 6.     | Non-Institutional & Retail Marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"><li>• Formulating marketing strategies;</li><li>• Finalising centres for holding conferences for brokers;</li><li>• Finalising collection centres; and</li><li>• Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.</li></ul>                                                                                                                                                                                                                                        | HDFC Bank                       |
| 7.     | Preparation of publicity budget, finalising Media and PR strategy.<br><br>Coordination with Stock Exchanges for book building process including software, bidding terminals.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | HDFC Bank                       |
| 8.     | Pricing and managing the book                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | HDFC Bank                       |
| 9.     | Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks including responsibility for underwriting arrangements, as applicable. | HDFC Bank                       |

## Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

## Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

## Book Building Process

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is finalised after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the BRLM;
- the Syndicate Member who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Member is appointed by the BRLM;
- the Self Certified Syndicate Banks through whom ASBA Bidders would subscribe in the Issue;
- Non-Syndicate Registered Brokers;
- the Registrar to the Issue; and
- Escrow Collection Banks.

In terms of Regulation 26(2) of the SEBI ICDR Regulations, the Issue is being made through the Book Building Process wherein not less than 75% of the Issue shall be allotted on a proportionate basis to QIB Bidders. 5% of the QIB Portion (excluding 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, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The allotment of Equity Shares to each Retail Individual Bidder shall not be less than minimum bid lot, subject to availability of Equity Shares in Retail Investor category, and the remaining available Equity Shares, if any, shall be allotted on proportionate basis. Our Company has, in consultation with the BRLM, allocated up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third shall be reserved for allocation to domestic Mutual Funds only. For further details, please see the chapter entitled 'Issue Procedure' on page 333 of this Prospectus. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

**The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.**

**Illustration of Book Building and Price Discovery Process** *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue and excludes 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. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the shares of our Company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1,000        | 23             | 1,500               | 50.00%       |
| 1,500        | 22             | 3,000               | 100.00%      |
| 2,000        | 21             | 5,000               | 166.67%      |
| 2,500        | 20             | 7,500               | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which our Company is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. Our Company, in consultation with the book running lead manager, will finalise the issue price at or below such cut-off price, i.e., at or below ₹22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid. For details, please see the chapter entitled 'Issue Procedure' on page 333 of this Prospectus;
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, are 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, are exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. For details, please see the chapter entitled 'Issue Procedure' on page 333 of this Prospectus;
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form;
5. Bids by QIBs (other than Anchor Investors) and Non-Institutional Bidders will only have to be submitted through the ASBA process;
6. Ensure the correctness of your Demographic Details, given in the Bid-cum-Application Form or ASBA Form, with the details recorded with your Depository Participant;
7. Ensure the correctness of your PAN, beneficiary account number, DP ID and Client ID given in the Bid-cum-Application Form and the ASBA Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name and bank account number, among others; and
8. Bids by ASBA Bidders will have to be submitted to the Designated Branches or to Syndicate/sub-Syndicate Members (only in the Specified Cities) or the Non Registered Syndicate Brokers. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSBs to ensure that the Bid cum Application Form is not rejected.

### Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved in the event that the Syndicate Member do not fulfil their underwriting obligations. The Underwriting Agreement is dated August

30, 2014. 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:

| <b>Name and Address of the Underwriters</b>                                                                                                                            | <b>Indicative Number of Equity Shares to be Underwritten</b> | <b>Amount Underwritten (₹ in millions)</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------|
| <b>HDFC Bank Limited</b><br>Investment Banking Group, Unit No, 401 & 402,<br>4th Floor,<br>Tower B, Peninsula Business Park,<br>Lower Parel, Mumbai 400 013            | 10,499,900                                                   | 493.4953                                   |
| <b>HDFC Securities Limited</b><br>I Think Techno Campus,<br>“Alpha”, Building - B,<br>Office Floor 8,<br>Opposite Crompton Greaves,<br>Kanjurmarg,<br>Mumbai – 400 042 | 100                                                          | 0.0047                                     |

The above-mentioned is indicative underwriting and this will be finalised after pricing and actual allocation. In the opinion of the Board of Directors (based on certificates provided by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on August 30, 2014, has accepted 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. Notwithstanding the above table, the BRLM and the Syndicate Member shall be responsible for ensuring payment with respect to Equity Shares allocated to investors 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 the subscription to or subscribe to Equity Shares to the extent of the defaulted amount.

The Underwriting arrangements mentioned above shall not apply to the subscription by the ASBA Bidders in this Issue, except for ASBA Bids procured by the Syndicate Member. The Underwriting Agreement shall list out the role and obligations of each Syndicate Member.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

## CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Prospectus is set forth below.

*(In ₹, except share data)*

|          |                                                                                                          | Aggregate value at Face Value | Aggregate value at Issue Price |
|----------|----------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------|
| <b>A</b> | <b>AUTHORIZED SHARE CAPITAL</b>                                                                          |                               |                                |
|          | 200,000,000 Equity Shares                                                                                | 2,000,000,000                 |                                |
| <b>B</b> | <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>                                           |                               |                                |
|          | 124,443,357 Equity Shares                                                                                | 1,244,433,570                 |                                |
| <b>C</b> | <b>PRESENT ISSUE IN TERMS OF THE PROSPECTUS</b>                                                          |                               |                                |
|          | Issue of 42,000,000 Equity Shares                                                                        | 420,000,000                   | 1,974,000,000                  |
|          | Of which:                                                                                                |                               |                                |
|          | A. QIB portion of at least 31,500,000 Equity Shares                                                      | 315,000,000                   | 1,480,500,000                  |
|          | Of which                                                                                                 |                               |                                |
|          | Available for allotment to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)) | 1,102,500                     |                                |
|          | Balance for all QIB including Mutual Funds                                                               | 20,947,500                    |                                |
|          | B. Non-Institutional Portion of not more than 6,300,000 Equity Shares                                    | 63,000,000                    | 296,100,000                    |
|          | C. Retail Portion of not more than 4,200,000 Equity Shares                                               | 42,000,000                    | 197,400,000                    |
| <b>D</b> | <b>SECURITIES PREMIUM ACCOUNT</b>                                                                        |                               |                                |
|          | Before the Issue                                                                                         | 572,219,536                   | -                              |
|          | After the Issue                                                                                          | 2,126,219,536                 | -                              |
| <b>E</b> | <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>                                            |                               |                                |
|          | 166,443,357 Equity Shares                                                                                | 1,664,433,570                 | 7,822,837,779                  |

### Changes to the Authorised Share Capital since incorporation

| Date of shareholders' resolution | Change in authorised share capital                               |
|----------------------------------|------------------------------------------------------------------|
| Initial authorised capital       | 500,000 Equity Shares of ₹10 each aggregating ₹5 million         |
| June 30, 1995                    | 3,000,000 Equity Shares of ₹10 each aggregating ₹30 million      |
| August 19, 1996                  | 10,000,000 Equity Shares of ₹10 each aggregating ₹100 million    |
| February 9, 2000                 | 30,000,000 Equity Shares of ₹10 each aggregating ₹300 million    |
| March 7, 2001                    | 41,000,000 Equity Shares of ₹10 each aggregating ₹410 million    |
| January 23, 2003                 | 50,000,000 Equity Shares of ₹10 each aggregating ₹500 million    |
| August 22, 2006                  | 90,000,000 Equity Shares of ₹10 each aggregating ₹900 million    |
| December 17, 2009                | 125,000,000 Equity Shares of ₹10 each aggregating ₹1,250 million |
| August 5, 2013                   | 200,000,000 Equity Shares of ₹10 each aggregating ₹2,000 million |

## 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 following table:

| Date of Allotment | Number of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Consideration | Reason for allotment                                         | Cumulative Number of Equity Shares | Cumulative Paid-up Equity Share Capital (₹) | Cumulative Share Premium (₹) |
|-------------------|----------------------------------|----------------|----------------------------------|---------------|--------------------------------------------------------------|------------------------------------|---------------------------------------------|------------------------------|
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 101                                | 1,010                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 202                                | 2,020                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 303                                | 3,030                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 404                                | 4,040                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 505                                | 5,050                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 606                                | 6,060                                       | -                            |
| February 22, 1993 | 101                              | 10             | 10.00                            | Cash          | Initial Subscribers                                          | 707                                | 7,070                                       | -                            |
| July 13, 1995     | 49,293                           | 10             | 10.00                            | Cash          | Issue of Equity Shares to Amalgam Investment Private Limited | 50,000                             | 500,000                                     | -                            |
| March 29, 1997    | 3,979,000                        | 10             | 10.00                            | Cash          | Issue of Equity Shares to Amalgam Foods Limited              | 4,029,000                          | 40,290,000                                  | -                            |
| March 29, 1997    | 1,185,000                        | 10             | 20.00                            | Cash          | Issue of Equity Shares to Brooke Bond (India) Limited        | 5,214,000                          | 52,140,000                                  | 11,850,000                   |
| June 19, 1997     | 2,054,000                        | 10             | 20.00                            | Cash          | Issue of Equity Shares to Mitsubishi Corporation             | 7,268,000                          | 72,680,000                                  | 32,390,000                   |
| June 19, 1997     | 632,000                          | 10             | 20.00                            | Cash          | Issue of Equity Shares to Mitsubishi Logistics Corporation   | 7,900,000                          | 79,000,000                                  | 38,710,000                   |
| April 6, 2000     | 12,000,000                       | 10             | 10.00                            | Cash          | Issue of Equity Shares to Mitsubishi Corporation             | 19,900,000                         | 199,000,000                                 | 38,710,000                   |
| April 6, 2000     | 3,000,000                        | 10             | 10.00                            | Cash          | Issue of Equity Shares to Mitsubishi Logistics Corporation   | 22,900,000                         | 229,000,000                                 | 38,710,000                   |
| April 6, 2000     | 2,647,000                        | 10             | 10.00                            | Cash          | Issue of Equity Shares to Hindustan Lever Limited            | 25,547,000                         | 255,470,000                                 | 38,710,000                   |
| March 9, 2001     | 15,000,000                       | 10             | 10.00                            | Cash          | Issue of Equity Shares to Mitsubishi Corporation             | 40,547,000                         | 405,470,000                                 | 38,710,000                   |
| April 30, 2003    | 7,400,000                        | 10             | 10.00                            | Cash          | Issue of Equity Shares to Nichirei Corporation               | 47,947,000                         | 479,470,000                                 | 38,710,000                   |
| November          |                                  |                |                                  | Cash          | Issue of                                                     |                                    |                                             | 55,905,000                   |

| Date of Allotment | Number of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Consideration | Reason for allotment                                                                                                                                                                                                                                                      | Cumulative Number of Equity Shares | Cumulative Paid-up Equity Share Capital (₹) | Cumulative Share Premium (₹) |
|-------------------|----------------------------------|----------------|----------------------------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------|------------------------------|
| 22, 2006          | 34,390,000                       | 10             | 10.50                            |               | Equity Shares to GDL                                                                                                                                                                                                                                                      | 82,337,000                         | 823,370,000                                 |                              |
| March 4, 2010     | 20,570,000                       | 10             | 12.10                            | Cash          | Issue of Equity shares to IFC                                                                                                                                                                                                                                             | 102,907,000                        | 1,029,070,000                               | 88,851,504*                  |
| July 5, 2013      | 17,142,857                       | 10             | 35.00                            | Cash          | Issue of Equity Shares to NVP                                                                                                                                                                                                                                             | 120,049,857                        | 1,200,498,570                               | 496,287,436**                |
| July 5, 2013      | 678,000                          | 10             | 10.60                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 120,727,857                        | 1,207,278,570                               | 496,694,236                  |
| July 5, 2013      | 2,700,000                        | 10             | 35.00                            | Cash          | Issue of Equity Shares to Mr. Gopinath Pillai, Mr. Prem Kishan Dass Gupta, Mr. Sat Pal Khattar, Mr. Karangalpadi Jathindra Mohan Shetty, Mr. Shabbir Hakimuddin Hassanbhai, Mr. Ishaan Gupta, Mr. Michael Philip Pinto, Mr. Arun Agarwal and Laguna International Pte Ltd | 123,427,857                        | 1,234,278,570                               | 564,194,236                  |
| August 1, 2013    | 300,000                          | 10             | 35.00                            | Cash          | Issue of Equity Shares to Mr. Kirpa Ram Vij                                                                                                                                                                                                                               | 123,727,857                        | 1,237,278,570                               | 571,694,236                  |
| August 01, 2013   | 108,000                          | 10             | 10.60                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 123,835,857                        | 1,238,358,570                               | 571,759,036                  |
| February 11, 2014 | 270,000                          | 10             | 10.60                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 124,105,857                        | 1,241,058,570                               | 571,921,036                  |
| May 8, 2014       | 301,000                          | 10             | 10.60                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 124,406,857                        | 1,244,068,570                               | 572,101,636                  |
| August 5, 2014    | 16,500                           | 10             | 10.60                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 124,423,357                        | 1,244,233,570                               | 572,111,536                  |
| August 5, 2014    | 20,000                           | 10             | 15.40                            | Cash          | Issue of Equity Shares Under ESOPS Scheme                                                                                                                                                                                                                                 | 124,443,357                        | 1,244,433,570                               | 572,219,536                  |

\*₹10.25 million out of the share premium account was used towards issue expenses

*\*\*₹21.14 million out of the share premium account was used towards issue expenses*

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

## 2. Issue of Equity Shares for consideration other than cash

We have not issued Equity Shares for consideration other than cash.

## 3. History of the Equity Share Capital held by the Promoter

(a) *Build-up of the Promoter's shareholding in our Company*

As on the date of this Prospectus, our Promoter holds 67,254,119 Equity Shares, constituting 54.04% of the issued, subscribed and paid-up Equity Share capital of our Company. Set forth below is the build-up of the shareholding of the Promoter in our Company since the incorporation of our Company:

| Date of Transaction/ Allotment | Nature of Transaction                                                       | No. of Equity Shares | Nature of consideration | Face Value (₹) | Issue/ acquisition price (₹) | Source of Funds       | Percentage of the pre-Issue Capital (%) | Percentage of the post-Issue Capital (%) |
|--------------------------------|-----------------------------------------------------------------------------|----------------------|-------------------------|----------------|------------------------------|-----------------------|-----------------------------------------|------------------------------------------|
| November 22, 2006              | Acquisition of Equity Shares from Amalgam Foods Limited <sup>†</sup>        | 3,979,000            | Cash                    | 10             | 17.50                        | Proceeds of GDR Issue | 3.20                                    | 2.38                                     |
| November 22, 2006              | Acquisition of Equity Shares from Amalgam Foods Limited <sup>†</sup>        | 235,000              | Cash                    | 10             | 17.50                        | Proceeds of GDR Issue | 0.19                                    | 0.14                                     |
| November 22, 2006              | Acquisition of Equity Shares from Amalgam Foods Limited <sup>†</sup>        | 2,647,000            | Cash                    | 10             | 17.50                        | Proceeds of GDR Issue | 2.13                                    | 1.58                                     |
| November 22, 2006              | Issue of Equity Shares <sup>**</sup>                                        | 34,390,000           | Cash                    | 10             | 10.50                        | Proceeds of GDR Issue | 27.64                                   | 20.54                                    |
| March 23, 2007                 | Transfer of Equity Shares to Laguna International Pte. Limited <sup>^</sup> | (952,381)            | Cash                    | 10             | 10.50                        | -                     | (0.77)                                  | (0.57)                                   |
| December 17, 2009              | Acquisition of Equity Shares from Mitsubishi Corporation <sup>++</sup>      | 13,413,000           | Cash                    | 10             | 8.50                         | Internal Accruals     | 10.78                                   | 8.01                                     |
| May 25, 2012                   | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>       | 101                  | Cash                    | 10             | 18.00                        | Internal Accruals     | 0.00                                    | 0.00                                     |
| May 25, 2012                   | Acquisition of Equity                                                       | 101                  | Cash                    | 10             | 18.00                        | Internal Accruals     | 0.00                                    | 0.00                                     |

| Date of Transaction/<br>Allotment | Nature of Transaction                                                         | No. of Equity Shares | Nature of consideration | Face Value (₹) | Issue/acquisition price (₹) | Source of Funds   | Percentage of the pre-Issue Capital (%) | Percentage of the post-Issue Capital (%) |
|-----------------------------------|-------------------------------------------------------------------------------|----------------------|-------------------------|----------------|-----------------------------|-------------------|-----------------------------------------|------------------------------------------|
|                                   | Shares from Amalgam Foods Limited <sup>##</sup>                               |                      |                         |                |                             |                   |                                         |                                          |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 101                  | Cash                    | 10             | 18.00                       | Internal Accruals | 0.00                                    | 0.00                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 49,293               | Cash                    | 10             | 18.00                       | Internal Accruals | 0.04                                    | 0.03                                     |
| May 25, 2012                      | Acquisition of Equity Shares from Amalgam Foods Limited <sup>##</sup>         | 950,000              | Cash                    | 10             | 18.00                       | Internal Accruals | 0.76                                    | 0.57                                     |
| August 2, 2013                    | Acquisition of Equity Shares from IFC <sup>#</sup>                            | 5,142,500            | Cash                    | 10             | 35                          | Internal Accruals | 4.13                                    | 3.07                                     |
| March 11, 2014                    | Acquisition of Equity Shares from Nichirei Logistics Group Inc <sup>***</sup> | 7,400,000            | Cash                    | 10             | 35                          | Internal Accruals | 5.95                                    | 4.42                                     |
| <b>Total</b>                      |                                                                               | <b>67,254,119***</b> |                         |                |                             |                   | <b>54.04</b>                            | <b>40.17</b>                             |

\*\*\* The Share Certificate was split and subsequent to the transfer to Laguna International Pte Ltd, GDL held 33,437,619.

<sup>†</sup>GDL acquired 6,861,000 shares in our Company from Amalgam Foods Limited at ₹17.50 per share pursuant to a share purchase agreement dated November 22, 2006.

<sup>^</sup>GDL transferred 952,381 shares in our Company to Laguna International Pte. Limited at ₹10.50 per share pursuant to an agreement for transfer of shares of Snowman Frozen Foods Ltd. The valuation of the shares transferred by GDL was based on the average of the NAV per equity share and the profit earning capacity per equity share, in accordance with the erstwhile foreign exchange regulations.

<sup>\*\*</sup>GDL acquired 13,413,000 shares in our Company from Mitsubishi Corporation at ₹8.50 per share pursuant to a share purchase agreement dated December 10, 2009. The valuation of the shares acquired by GDL was based on the average of the NAV per equity share and the profit earning capacity per equity share, in accordance with the erstwhile foreign exchange regulations.

<sup>##</sup>GDL acquired 1,000,000 shares in our Company from Amalgam Foods Limited at ₹18.00 per share.

<sup>#</sup>GDL acquired 5,142,500 shares in our Company from IFC at ₹35 per share pursuant to a share sale agreement dated June 14, 2013. The valuation of the shares acquired by GDL, as set out in the valuation report by T Ramachandran & Co, Chartered Accountants, was computed using the discounted cash flow method in line with the extant foreign exchange regulations.

<sup>\*\*\*</sup>GDL acquired 7,400,000 shares in our Company from Nichirei Logistics Group Inc. at ₹35 per share pursuant to a share sale agreement executed on August 29, 2013. The valuation of the shares acquired by GDL, as set out in the valuation report by T Ramachandran & Co, Chartered Accountants, is computed using the discounted cash flow method in line with the extant foreign exchange regulations.

All the Equity Shares held by the Promoter were fully paid-up when issued. None of the Equity Shares held by the Promoter are pledged.

(b) *Details of Promoter's contribution and lock-in:*

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoter shall be locked in for a period of three years from the date of Allotment. All Equity Shares of our Company held by the Promoter are eligible for Promoter's contribution.

Accordingly, 33,483,172 Equity Shares, aggregating 20% of the post-Issue capital of our Company (assuming exercise of all employee stock options vested in terms of the ESOP 2012 described below), held by the Promoter, shall be locked in for a period of three years from the date of Allotment in the Issue. Details of the same are as follows:

| Date of Transaction and when made fully paid-up | Nature of Transaction                                   | No. of Equity Shares | Face Value (₹) | Issue/acquisition price per Equity Share (₹) | Percentage of post-Issue paid-up capital (%) |
|-------------------------------------------------|---------------------------------------------------------|----------------------|----------------|----------------------------------------------|----------------------------------------------|
| November 22, 2006                               | Acquisition of Equity Shares from Amalgam Foods Limited | 3,979,000            | 10             | 17.50                                        | 2.38                                         |
| November 22, 2006                               | Acquisition of Equity Shares from Amalgam Foods Limited | 235,000              | 10             | 17.50                                        | 0.14                                         |
| November 22, 2006                               | Acquisition of Equity Shares from Amalgam Foods Limited | 2,647,000            | 10             | 17.50                                        | 1.58                                         |
| November 22, 2006                               | Issue of equity shares                                  | 26,622,172           | 10             | 10.50                                        | 15.90                                        |

The Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the person defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

- The Equity Shares offered for Promoter's contribution (a) have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or 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 preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

- (iii) Our Company has not been formed by the conversion of a partnership firm into a company;
- (iv) The Equity Shares held by the Promoter and offered for Promoter's contribution are not subject to any pledge;
- (v) All the Equity Shares of our Company held by the Promoter are in dematerialised form; and
- (vi) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

(c) *Details of Equity Shares locked-in for one year*

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company, except any Equity Shares issued upon exercise of employee stock options granted by our Company, comprising 89,566,685 Equity Shares will be locked-in for a period of one year from the date of Allotment. As of the date of this Prospectus, 1,393,500 employee stock options granted by our Company have been converted into Equity Shares.

(d) *Lock-in of Equity Shares to be Allotted, if any, to the Anchor Investor*

Any Equity Shares allotted to Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) *Other requirements in respect of lock-in:*

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoter's Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable.

In terms of Schedule XI of the SEBI ICDR Regulations, the Equity Shares, if any, allotted to Anchor Investors shall be locked in for a period of 30 days from the date of Allotment of such Equity Shares.

#### 4. **Shareholding Pattern of our Company**

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

| Category code | Category of shareholder | Number of shareholders | Pre-Issue              |                                         |                                                              | Post-Issue             |                                         |                                                              | Shares Pledged or otherwise encumbered |
|---------------|-------------------------|------------------------|------------------------|-----------------------------------------|--------------------------------------------------------------|------------------------|-----------------------------------------|--------------------------------------------------------------|----------------------------------------|
|               |                         |                        | Total number of shares | Number of shares held in dematerialised | Total shareholding as a percentage of total number of shares | Total number of shares | Number of shares held in dematerialised | Total shareholding as a percentage of total number of shares |                                        |

|            |                                                                                         |          |                         | form                    | As a<br>perce<br>ntage<br>of<br>(A+B) | As a<br>perce<br>ntage<br>of<br>(A+B<br>+C) |                         | form                    | As a<br>perce<br>ntage<br>of<br>(A+B) | As a<br>percen<br>tage of<br>(A+B+<br>C+D) | Num<br>ber<br>of<br>shar<br>es | As a<br>perce<br>ntage |
|------------|-----------------------------------------------------------------------------------------|----------|-------------------------|-------------------------|---------------------------------------|---------------------------------------------|-------------------------|-------------------------|---------------------------------------|--------------------------------------------|--------------------------------|------------------------|
| <b>(A)</b> | <b>Promote<br/>r and<br/>Promote<br/>r Group</b>                                        |          |                         |                         |                                       |                                             |                         |                         |                                       |                                            |                                |                        |
| <b>1</b>   | <b>Indian</b>                                                                           |          |                         |                         |                                       |                                             |                         |                         |                                       |                                            |                                |                        |
| (a)        | Individu<br>als/<br>Hindu<br>Undivid<br>ed<br>Family                                    |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (b)        | Central<br>Govern<br>ment/<br>State<br>Govern<br>ment(s)                                |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (c)        | Bodies<br>Corporat<br>e                                                                 | 1        | 6,72,54<br>,119         | 6,72,54,1<br>19         | 54.04                                 | 54.04                                       | 6,72,54<br>,119         | 6,72,54,1<br>19         | 54.04                                 | 40.41                                      |                                |                        |
| (d)        | Financia<br>l<br>Institutio<br>ns/<br>Banks                                             |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (e)        | Any<br>Other<br>(Specify<br>)                                                           |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
|            | <b>Sub-<br/>Total<br/>(A)(1)</b>                                                        | <b>1</b> | <b>6,72,54<br/>,119</b> | <b>6,72,54,1<br/>19</b> | <b>54.04</b>                          | <b>54.04</b>                                | <b>6,72,54<br/>,119</b> | <b>6,72,54,1<br/>19</b> | <b>54.04</b>                          | <b>40.41</b>                               |                                |                        |
| <b>2</b>   | <b>Foreign</b>                                                                          |          |                         |                         |                                       |                                             |                         |                         |                                       |                                            |                                |                        |
| (a)        | Individu<br>als<br>(Non-<br>Resident<br>Individu<br>als/<br>Foreign<br>Individu<br>als) |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (b)        | Bodies<br>Corporat<br>e                                                                 |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (c)        | Institutio<br>ns                                                                        |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (d)        | Qualifie<br>d<br>Foreign<br>Investor                                                    |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
| (e)        | Any<br>Other<br>(specify)                                                               |          |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
|            | <b>Sub-<br/>Total<br/>(A)(2)</b>                                                        | <b>0</b> |                         |                         | -                                     | -                                           |                         |                         | -                                     | -                                          |                                |                        |
|            | <b>Total<br/>Shareho<br/>lding of<br/>Promote<br/>r and<br/>Promote</b>                 | <b>1</b> | <b>6,72,54<br/>,119</b> | <b>6,72,54,1<br/>19</b> | <b>54.04</b>                          | <b>54.04</b>                                | <b>6,72,54<br/>,119</b> | <b>6,72,54,<br/>119</b> | <b>54.04</b>                          | <b>40.41</b>                               |                                |                        |

| Cate<br>gory<br>code | Categor<br>y of<br>sharehol<br>der                       | Numbe<br>r of<br>shareh<br>olders | Pre-Issue                        |                                                              |                                                                          |                                             | Post-Issue                       |                                                              |                                                                          |                                            | Shares<br>Pledged or<br>otherwise<br>encumbered |                        |
|----------------------|----------------------------------------------------------|-----------------------------------|----------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------|----------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------|------------------------|
|                      |                                                          |                                   | Total<br>numbe<br>r of<br>shares | Number<br>of shares<br>held in<br>demater<br>ialised<br>form | Total<br>shareholding as<br>a percentage of<br>total number of<br>shares |                                             | Total<br>numbe<br>r of<br>shares | Number<br>of shares<br>held in<br>demater<br>ialised<br>form | Total<br>shareholding as<br>a percentage of<br>total number of<br>shares |                                            |                                                 |                        |
|                      |                                                          |                                   |                                  |                                                              | As a<br>perce<br>ntage<br>of<br>(A+B)                                    | As a<br>perce<br>ntage<br>of<br>(A+B<br>+C) |                                  |                                                              | As a<br>perce<br>ntage<br>of<br>(A+B)                                    | As a<br>percen<br>tage of<br>(A+B+<br>C+D) | Num<br>ber<br>of<br>shar<br>es                  | As a<br>perce<br>ntage |
|                      | r Group<br>(A)=<br>(A)(1)+(A)(2)                         |                                   |                                  |                                                              |                                                                          |                                             |                                  |                                                              |                                                                          |                                            |                                                 |                        |
| (B)                  | Public<br>sharehol<br>ding                               |                                   |                                  |                                                              |                                                                          |                                             |                                  |                                                              |                                                                          |                                            |                                                 |                        |
| 1                    | Instituti<br>ons                                         |                                   |                                  |                                                              |                                                                          |                                             |                                  |                                                              |                                                                          |                                            |                                                 |                        |
| (a)                  | Mutual<br>Funds/<br>UTI                                  |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (b)                  | Financia<br>l<br>Institutio<br>ns/<br>Banks              | 1                                 | 1,54,27<br>,500                  | 1,54,27,5<br>00                                              | 12.40                                                                    | 12.40                                       | 1,54,27<br>,500                  | 1,54,27,5<br>00                                              | 12.40                                                                    | 9.27                                       |                                                 |                        |
| (c)                  | Central<br>Govern<br>ment/<br>State<br>Govern<br>ment(s) |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (d)                  | Venture<br>Capital<br>Funds                              |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (e)                  | Insuranc<br>e<br>Compani<br>es                           |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (f)                  | Foreign<br>Institution<br>al<br>Investors                |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (g)                  | Foreign<br>Venture<br>Capital<br>Investors               |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (h)                  | Qualifie<br>d<br>Foreign<br>Investor                     |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
| (i)                  | Others                                                   |                                   |                                  |                                                              | -                                                                        | -                                           |                                  |                                                              | -                                                                        | -                                          |                                                 |                        |
|                      | Sub-<br>Total<br>(B)(1)                                  | 1                                 | 1,54,27<br>,500                  | 1,54,27,5<br>00                                              | 12.40                                                                    | 12.40                                       | 1,54,27<br>,500                  | 1,54,27,5<br>00                                              | 12.40                                                                    | 9.27                                       |                                                 |                        |
| 2                    | Non-<br>instituti<br>ons                                 |                                   |                                  |                                                              |                                                                          |                                             |                                  |                                                              |                                                                          |                                            |                                                 |                        |
| (a)                  | Bodies<br>Corporat<br>e                                  | 4                                 | 3,83,68<br>,238                  | 1,71,42,8<br>57                                              | 30.83                                                                    | 30.83                                       | 3,83,68<br>,238                  | 1,71,42,8<br>57                                              | 30.83                                                                    | 23.05                                      |                                                 |                        |
| (b)                  | Individu<br>als                                          |                                   |                                  |                                                              |                                                                          |                                             |                                  |                                                              |                                                                          |                                            |                                                 |                        |
| (i)                  | Individu<br>al<br>sharehol<br>ders<br>holding<br>nominal | 41                                | 6,46,00<br>0                     | 6,46,000                                                     | 0.52                                                                     | 0.52                                        | 6,46,00<br>0                     | 6,46,000                                                     | 0.52                                                                     | 0.39                                       |                                                 |                        |

| Category code | Category of shareholder                                                          | Number of shareholders | Pre-Issue              |                                              |                                                              |                            | Post-Issue             |                                              |                                                              |                              | Shares Pledged or otherwise encumbered |                 |
|---------------|----------------------------------------------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|----------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|------------------------------|----------------------------------------|-----------------|
|               |                                                                                  |                        | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a percentage of total number of shares |                            | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a percentage of total number of shares |                              |                                        |                 |
|               |                                                                                  |                        |                        |                                              | As a percentage of (A+B)                                     | As a percentage of (A+B+C) |                        |                                              | As a percentage of (A+B)                                     | As a percentage of (A+B+C+D) | Number of shares                       | As a percentage |
|               | share capital up to ₹ 1 lakh.                                                    |                        |                        |                                              |                                                              |                            |                        |                                              |                                                              |                              |                                        |                 |
| (ii)          | Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.     | 10                     | 27,47,500              | 27,47,500                                    | 2.21                                                         | 2.21                       | 27,47,500              | 27,47,500                                    | 2.21                                                         | 1.65                         |                                        |                 |
| (c)           | Qualified Foreign Investor                                                       |                        |                        |                                              | -                                                            | -                          |                        |                                              |                                                              |                              |                                        |                 |
| (d)           | Any Other (specify)                                                              |                        |                        |                                              | -                                                            | -                          |                        |                                              |                                                              |                              |                                        |                 |
|               | Sub-Total (B)(2)                                                                 | 55                     | 4,17,61,738            | 2,05,36,357                                  | 33.56                                                        | 33.56                      | 4,17,61,738            | 2,05,36,357                                  | 33.56                                                        | 25.09                        |                                        |                 |
|               | (B)=(B)(1)+(B)(2)                                                                | 56                     | 5,71,89,238            | 3,59,63,857                                  | 45.96                                                        | 45.96                      | 5,71,89,238            | 3,59,63,857                                  | 45.96                                                        | 34.36                        |                                        |                 |
|               | TOTAL (A)+(B)                                                                    | 57                     | 12,44,43,357           | 10,32,17,976                                 | 100.00                                                       | 100.00                     | 12,44,43,357           | 10,32,17,976                                 | 100.00                                                       | 74.77                        |                                        |                 |
| (C)           | Shares held by Custodians and against which Depository Receipts have been issued |                        |                        |                                              |                                                              |                            |                        |                                              |                                                              |                              |                                        |                 |
| -1            | Promoter and Promoter Group                                                      |                        |                        |                                              |                                                              |                            |                        |                                              |                                                              |                              |                                        |                 |
| -2            | Public                                                                           |                        |                        |                                              |                                                              |                            |                        |                                              |                                                              |                              |                                        |                 |
|               | TOTAL (A)+(B)+(C)                                                                | 57                     | 12,44,43,357           | 10,32,17,976                                 | 100.00                                                       | 100.00                     | 12,44,43,357           | 10,32,17,976                                 | 100.00                                                       | 74.77                        |                                        |                 |
| (D)           | Public pursuant to the Issue                                                     |                        |                        |                                              |                                                              |                            | 4,20,00,000            | 4,20,00,000                                  |                                                              | 25.23 %                      |                                        |                 |

| Cate<br>gory<br>code | Categor<br>y of<br>sharehol<br>der        | Numbe<br>r of<br>shareh<br>olders | Pre-Issue                        |                                                              |                                                                          |                                             | Post-Issue                       |                                                              |                                                                          |                                            | Shares<br>Pledged or<br>otherwise<br>encumbered |                        |
|----------------------|-------------------------------------------|-----------------------------------|----------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------|----------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------|------------------------|
|                      |                                           |                                   | Total<br>numbe<br>r of<br>shares | Number<br>of shares<br>held in<br>demater<br>ialised<br>form | Total<br>shareholding as<br>a percentage of<br>total number of<br>shares |                                             | Total<br>numbe<br>r of<br>shares | Number<br>of shares<br>held in<br>demater<br>ialised<br>form | Total<br>shareholding as<br>a percentage of<br>total number of<br>shares |                                            | Num<br>ber<br>of<br>shar<br>es                  | As a<br>perce<br>ntage |
|                      |                                           |                                   |                                  |                                                              | As a<br>perce<br>ntage<br>of<br>(A+B)                                    | As a<br>perce<br>ntage<br>of<br>(A+B<br>+C) |                                  |                                                              | As a<br>perce<br>ntage<br>of<br>(A+B)                                    | As a<br>percen<br>tage of<br>(A+B+<br>C+D) |                                                 |                        |
|                      | GRAND<br>TOTAL<br>(A)+(B)<br>+(C)+<br>(D) | 57                                | 12,44,4<br>3,357                 | 10,32,17,<br>976                                             | 100.00                                                                   | 100.00                                      | 16,64,4<br>3,357                 | 14,52,17,<br>976                                             | 100.00                                                                   | 100.00                                     |                                                 |                        |

**5. Public shareholders holding more than 1% of the pre-Issue paid up capital of our Company**

The details of the public shareholders holding more than 1% of the pre-Issue paid up capital of our Company and their pre-Issue and post-Issue shareholding are set forth in the table below:

| S. No. | Name of the Shareholder                  | Pre-Issue                 |                | Post-Issue                |                |
|--------|------------------------------------------|---------------------------|----------------|---------------------------|----------------|
|        |                                          | No. of Equity Shares held | Percentage (%) | No. of Equity Shares held | Percentage (%) |
| 1.     | Norwest Venture Partners VII-A Mauritius | 17,142,857                | 13.78          | 17,142,857                | 10.30          |
| 2.     | Mitsubishi Corporation                   | 15,641,000                | 12.57          | 15,641,000                | 9.40           |
| 3.     | International Finance Corporation        | 15,427,500                | 12.40          | 15,427,500                | 9.27           |
| 4.     | Mitsubishi Logistics Corporation         | 3,632,000                 | 2.92           | 3,632,000                 | 2.18           |
| 5.     | Laguna International Pte Ltd             | 1,952,381                 | 1.57           | 1,952,381                 | 1.17           |

6. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:

(a) The top 10 Shareholders as on the date of filing of this Prospectus are as follows:

| S. No. | Name of the Shareholder                  | No. of Equity Shares | Percentage (%) |
|--------|------------------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Limited              | 67,254,119           | 54.04          |
| 2.     | Norwest Venture Partners VII-A Mauritius | 17,142,857           | 13.78          |
| 3.     | Mitsubishi Corporation                   | 15,641,000           | 12.57          |
| 4.     | International Finance Corporation        | 15,427,500           | 12.40          |
| 5.     | Mitsubishi Logistics Corporation         | 3,632,000            | 2.92           |
| 6.     | Laguna International Pte Ltd             | 1,952,381            | 1.57           |
| 7.     | Mr. Prem Kishan Dass Gupta               | 440,000              | 0.35           |
| 8.     | Mr. Gopinath Pillai                      | 440,000              | 0.35           |

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage (%) |
|--------|-------------------------|----------------------|----------------|
| 9.     | Mr. Sat Pal Khattar     | 440,000              | 0.35           |
| 10.    | Mr. Kirpa Ram Vij       | 300,000              | 0.24           |

(b) The top 10 Shareholders 10 days prior to filing of this Prospectus were as follows:

| S. No. | Name of the Shareholder                  | No. of Equity Shares | Percentage (%) |
|--------|------------------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Limited              | 67,254,119           | 54.04          |
| 2.     | Norwest Venture Partners VII-A Mauritius | 17,142,857           | 13.78          |
| 3.     | Mitsubishi Corporation                   | 15,641,000           | 12.57          |
| 4.     | International Finance Corporation        | 15,427,500           | 12.40          |
| 5.     | Mitsubishi Logistics Corporation         | 3,632,000            | 2.92           |
| 6.     | Laguna International Pte Ltd             | 1,952,381            | 1.57           |
| 7.     | Mr. Prem Kishan Dass Gupta               | 440,000              | 0.35           |
| 8.     | Mr. Gopinath Pillai                      | 440,000              | 0.35           |
| 9.     | Mr. Sat Pal Khattar                      | 440,000              | 0.35           |
| 10.    | Mr. Kirpa Ram Vij                        | 300,000              | 0.24           |

(c) The top 10 Shareholders two years prior to filing this Prospectus were as follows:

| S. No. | Name of the Shareholder                | No. of Equity Shares | Percentage (%) |
|--------|----------------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Ltd                | 54,711,518           | 53.17          |
| 2.     | International Finance Corporation      | 20,570,000           | 19.99          |
| 3.     | Mitsubishi Corporation                 | 15,641,000           | 15.20          |
| 4.     | Nichirei Logistics Group Inc.          | 7,400,000            | 7.19           |
| 5.     | Mitsubishi Logistics Corporation       | 3,632,000            | 3.53           |
| 6.     | Laguna International Pte Limited       | 952,381              | 0.93           |
| 7.     | Mr. Prem Kishan Gupta jointly with GDL | 101                  | 0.00           |

7. Except as set out below, none of the members of the Promoter Group or the directors of our Promoter hold any Equity Shares.

| Sr. No. | Name of the Shareholder           | No. of Equity Shares | Percentage (%) |
|---------|-----------------------------------|----------------------|----------------|
| 1.      | Mr. Prem Kishan Dass Gupta        | 440,000              | 0.35           |
| 2.      | Mr. Gopinath Pillai               | 440,000              | 0.35           |
| 3.      | Mr. Sat Pal Khattar               | 440,000              | 0.35           |
| 4.      | Mr. Shabbir Hakimuddin Hassanbhai | 220,000              | 0.18           |
| 5.      | Mr. Saroosh Cowasjee Dinshaw      | 120,000              | 0.10           |

| Sr. No. | Name of the Shareholder  | No. of Equity Shares | Percentage (%) |
|---------|--------------------------|----------------------|----------------|
| 6.      | Mr. Ishaan Gupta         | 35,000               | 0.03           |
| 7.      | Mr. Michael Philip Pinto | 25,000               | 0.02           |
| 8.      | Mr. Arun Agarwal         | 20,000               | 0.02           |

#### 8. Employee Stock Option Plan

The employee stock options of our Company have been granted under Snowman ESOP 2012. The details of the ESOP schemes of our Company are as follows:

##### **a) Snowman ESOP 2012**

The employee stock options of our Company have been granted under Snowman ESOP 2012. The details of the ESOP schemes of our Company are as follows:

ESOP 2012, our ESOP scheme was approved by our shareholders on April 24, 2012. Options under ESOP 2012 have been granted to eligible employees our Directors on May 12, 2012 (**Grant I**), February 05, 2013 (**Grant II**), August 01, 2013 (**Grant III**) and April 30, 2014 (**Grant IV**). Grant I, Grant II, Grant III and Grant IV have a vesting period of three years each till May 12, 2015, February 05, 2016, August 01, 2016 and April 20, 2017 respectively, and an exercise period of five years each starting May 12, 2013, February 05, 2014, August 01, 2014 and April 30, 2015 respectively. The ESOPs are administered by the Compensation Committee, which determines the terms and conditions of the options vested/granted.

ESOP 2012, to the extent applicable, is in compliance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended.

The Shareholders of our Company approved the grant of 3,040,000 options convertible into 3,040,000 Equity Shares on April 24, 2012, pursuant to which our Company granted 2,125,000 options (Grant I) convertible into 2,125,000 Equity Shares. The Compensation Committee approved the grant of 765,000 options convertible into 765,000 Equity Shares on February 05, 2013 (Grant II), 170,000 option convertible into 170,000 Equity Shares on August 01, 2013 (Grant III) and 860,000 options convertible into 860,000 Equity Shares on April 30, 2014 (Grant IV). Out of the 2,125,000 options (Grant I) granted, 1,107,500 options have been exercised and converted into 1,107,500 Equity Shares. Out of the 765,000 options (Grant II) granted, 266,000 options have been exercised and converted into 266,000 Equity Shares. Out of the 170,000 (Grant III) granted, 20,000 options have been exercised and converted into 20,000 Equity Shares.

The following table sets forth the particulars of the options granted under ESOP 2012 as of the date of filing of this Prospectus:

##### **Particulars**

| Sr. No. | Particulars                             | 1 <sup>st</sup> Grant                                                                                                                             | 2 <sup>nd</sup> Grant | 3 <sup>rd</sup> Grant | 4 <sup>th</sup> Grant |
|---------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| 1.      | Options granted                         |                                                                                                                                                   |                       |                       |                       |
|         | (a) Granted options as on date          | 2,125,000                                                                                                                                         | 765,000               | 170,000               | 860,000               |
| 2.      | Pricing formula                         | The Options are Granted at an Exercise Price being the prevailing fair market value as determined by an independent valuer appointed by the Board |                       |                       |                       |
| 3.      | Options vested                          | 1,184,500                                                                                                                                         | 266,000               | 36,000                | NIL                   |
| 4.      | Exercise price of options (₹ per share) | 10.60                                                                                                                                             | 10.60                 | 15.40                 | 18.30                 |
| 5.      | Options exercised                       | 1,107,500                                                                                                                                         | 266,000               | 20,000                | NIL                   |

| Sr. No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                             | 1 <sup>st</sup> Grant                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2 <sup>nd</sup> Grant | 3 <sup>rd</sup> Grant | 4 <sup>th</sup> Grant |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| 6.      | Total no. of shares arising as a result of exercise of options                                                                                                                                                                                                                                                                                                                                          | 1,107,500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 266,000               | 20,000                | NIL                   |
| 7.      | Options lapsed                                                                                                                                                                                                                                                                                                                                                                                          | 558,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 136,000               | 80,000                | 780,000               |
| 8.      | Variation of terms of options                                                                                                                                                                                                                                                                                                                                                                           | There is no variation in options                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                       |                       |                       |
| 9.      | Money realised by exercise of options (₹)                                                                                                                                                                                                                                                                                                                                                               | 11,739,500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2,819,600             | 308,000               | NIL                   |
| 10.     | Total number of options in force                                                                                                                                                                                                                                                                                                                                                                        | 459,500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 363,000               | 70,000                | 80,000                |
| 11.     | Employee wise details of options granted to                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                       |                       |                       |
|         | a. Senior management personnel                                                                                                                                                                                                                                                                                                                                                                          | As per Note 1 below                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                       |                       |                       |
|         | b. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year                                                                                                                                                                                                                                                                         | As per Note 2 below                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                       |                       |                       |
|         | c. Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued Equity Shares (excluding outstanding warrants and conversions) at the time of grant                                                                                                                                                                                                         | NONE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                       |                       |                       |
| 12.     | Vesting schedule/ conditions                                                                                                                                                                                                                                                                                                                                                                            | <p>The options would vest not earlier than one year and not later than 4th (forth) year from the date of grant i.e. from May 01, 2012, February 05, 2013, August 01, 2013 and April 30, 2014</p> <p>Vesting of options will not be less than</p> <p>On Completion of 1<sup>st</sup> year – 40.00%</p> <p>On Completion of 2<sup>nd</sup> year – 30.00%</p> <p>On Completion of 3<sup>rd</sup> year – 30.00%</p> <p>Options will be vested Based on continued employment with our Company</p> |                       |                       |                       |
| 13.     | Diluted Earnings Per Share pursuant to issue of Equity Shares on exercise of options calculated in accordance AS 20 'Earnings Per Share'                                                                                                                                                                                                                                                                | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |                       |                       |
| 14.     | In case the employee compensation cost is calculated using intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on the profits and on the earnings per share of our Company for the Financial Year | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |                       |                       |
| 15.     | Weighted average exercise price of options granted during the year                                                                                                                                                                                                                                                                                                                                      | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | NA                    | 15.40                 | 18.30                 |
| 16.     | Weighted average exercise price of options granted till date                                                                                                                                                                                                                                                                                                                                            | 10.82                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 10.82                 | 10.87                 | 12.53                 |

| Sr. No. | Particulars                                                                                           | 1 <sup>st</sup> Grant | 2 <sup>nd</sup> Grant | 3 <sup>rd</sup> Grant | 4 <sup>th</sup> Grant |
|---------|-------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 17.     | Method and significant assumptions used to estimate the fair value of options granted during the year | As per Note 3 below   |                       |                       |                       |
| 18.     | Risk free interest rate                                                                               | 8.00%                 | 8.00%                 | 6.00%                 | 6.00%                 |
| 19.     | Expected life                                                                                         | 5 Years               | 5 Years               | 5 Years               | 5 years               |
| 20.     | Expected volatility                                                                                   | 10.00%                | 10.00%                | 10.00%                | 10.00%                |
| 21.     | Expected dividend yield                                                                               | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 |
| 22.     | Price of underlying shares in market at the time of grant of options*(In ₹)                           | NA                    | NA                    | NA                    | NA                    |

Each stock option entitles the holder to receive one Equity Share of Rs 10 each of our Company on payment of the exercise price.

Under ESOP –Grant I, 2,125,000 options were granted to 34 employees, out of which 198,000 options have been cancelled as 8 employees have resigned and 360,000 options have been cancelled due to revision in the ESOP Scheme.

Under ESOP –Grant II, 765,000 options were granted to 21 employees, out of which 136,000 options have been cancelled as 8 employees have resigned.

Under ESOP –Grant III, 170,000 options were granted to 7 employees, out of which 80,000 options have been cancelled as 4 employees have resigned.

Under ESOP – Grant IV, 860,000 options were granted to 43 employees, out of which 20,000 options have been cancelled as 1 employee has resigned and a further 760,000 options have been cancelled at our discretion of our Company's management.

**Note 1: Details regarding options granted to our Directors and key management personnel and other management personnel are set forth below under ESOP 2012:**

| Name                               | No. of options granted | No. of options exercised | No. of options outstanding |
|------------------------------------|------------------------|--------------------------|----------------------------|
| <b>Directors</b>                   |                        |                          |                            |
| Mr. Kannan Ravindran Naidu         | 400,000                | 250,000                  | 150,000                    |
| Mr. Shabbir Hakimuddin Hassanbhai* | 120,000                | 120,000                  | -                          |
| Mr. Saroosh Cowasjee Dinshaw*      | 120,000                | 120,000                  | -                          |
| <b>Key Management Personnel</b>    |                        |                          |                            |
| Mr. Sundar Mangadu Agaram          | 300,000                | 180,000                  | 120,000                    |
| Mr. Pradeep Dubey                  | 300,000                | 157,500                  | 142,500                    |
| Mr. Sanjay Sharma                  | 50,000                 | 20,000                   | 30,000                     |
| Mr. Shivanand N                    | 50,000                 | 35,000                   | 15,000                     |
| Mr. Shailesh Acharya               | 50,000                 | 35,000                   | 15,000                     |
| Mr. Nitin Bhide                    | 50,000                 | 35,000                   | 15,000                     |
| Mr. Debabrata Satpathy             | 50,000                 | 35,000                   | 15,000                     |
| Mr. Jayant Ojha                    | 50,000                 | 20,000                   | 30,000                     |

\*Pursuant to the Companies Act, 2013, 180,000 options each granted have been cancelled.

**Note 2: Employees who received a grant in any one year of options amounting to 5.00%\* or more of the options granted during the year under ESOP 2012:**

| Name of the Employee       | No. of options granted |
|----------------------------|------------------------|
| Mr. Kannan Ravindran Naidu | 400,000                |
| Mr. Sundar Mangadu Agaram  | 300,000                |
| Mr. Pradeep Dubey          | 300,000                |

*\* Pursuant to the Companies Act, 2013, 180,000 options each granted have been cancelled. The table above reflects the options amounting to 5.00% or more, calculated on the options outstanding on date.*

**Note 3: Method and significant assumptions used to estimate the fair value of options granted during the year**

The Black Sholes method is used to arrive at the fair value of shares.

The following assumptions are made for arriving at the value of shares:

- a. Only 80% of the projected income is considered;
  - b. Tax at the rate of 34% is considered including the cess as per the existing tax rates;
  - c. Discounting factor at the rate of 12.50% is considered for arriving at the value of shares;
  - d. Risk free rate of 8% for 1<sup>st</sup> Grant and 2<sup>nd</sup> Grant and 6% for 3<sup>rd</sup> Grant and 4<sup>th</sup> Grant is considered;
  - e. As our Company has not announced any dividend no dividend is considered; and
  - f. Standard deviation of 10% is considered as our Company is not listed.
9. As on the date of this Prospectus, neither the BRLM nor its associates hold any Equity Shares in our Company.
  10. Except in the QIB category, under-subscription in any other category will be allowed to be met with spill-over from any other category or combination of categories at our discretion exercised in consultation with the BRLM and the Designated Stock Exchange.
  11. As on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under the Companies Act.
  12. Except as set out below none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI.

| S. No. | Name of the Shareholder                    | No. of Equity Shares | Percentage (%) |
|--------|--------------------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Limited                | 5,142,500            | 4.15           |
| 2.     | Mr. Prem Kishan Dass Gupta                 | 440,000              | 0.36           |
| 3.     | Mr. Gopinath Pillai                        | 440,000              | 0.36           |
| 4.     | Mr. Sat Pal Khattar                        | 440,000              | 0.36           |
| 5.     | Mr. Kirpa Ram Vij**                        | 300,000              | 0.24           |
| 6.     | Mr. Shabbir Hakimuddin Hassanbhai          | 220,000              | 0.18           |
| 7.     | Mr. Karangalpadi Jathindra Mohan Shetty*** | 200,000              | 0.16           |
| 8.     | Mr. Saroosh Cowasjee Dinshaw               | 120,000              | 0.10           |
| 9.     | Mr. Ishaan Gupta                           | 35,000               | 0.03           |
| 10.    | Mr. Michael Philip Pinto                   | 25,000               | 0.02           |
| 11.    | Mr. Arun Agrawal                           | 20,000               | 0.02           |

\* GDL acquired 5,142,500 shares from IFC at a price of ₹35 on August 2, 2013.

\*\* Mr. Kirpa Ram Vij has resigned from the board of directors of GDL with effect from 5 August 2014.

\*\*\* Mr. Karangalpadi Jathindra Mohan Shetty has resigned from the board of directors of GDL with effect from May 1, 2014.

13. As of the date of this Prospectus, the total number of holders of the Equity Shares is 57.
14. Neither our Company nor our Directors have entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLM does not have any buy-back and/or standby arrangements for purchase of Equity Shares from any person.
15. Except the options granted pursuant to ESOP 2012, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares as on the date of this Prospectus.

16. Except as set out below, our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus at a price which may be lower than the Issue price:

| Sr. No. | Name of Allottees          | Date of allotment | No. of Equity Shares | Issue price (₹) | Reason         |
|---------|----------------------------|-------------------|----------------------|-----------------|----------------|
| 1.      | Mr. Kannan Ravindran Naidu | February 11, 2014 | 40,000               | 10.6            | ESOP Allotment |
| 2.      | Mr. Sundar Mangadu Agaram  | February 11, 2014 | 40,000               | 10.6            | ESOP Allotment |
| 3.      | Mr. Pradeep Dubey          | February 11, 2014 | 70,000               | 10.6            | ESOP Allotment |
| 4.      | Mr. Parashuram Kumar       | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 5.      | Mr. Sreedhara N S          | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 6.      | Mr. Anil Ramchandra Niwate | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 7.      | Mr. Rakesh                 | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 8.      | Mr. Kantha Raja D          | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 9.      | Mr. Shekher Asnani         | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 10.     | Mr. Abhishek Yadav         | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 11.     | Mr. Jitendra Ahuja         | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 12.     | Mr. Saji K Louiz           | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 13.     | Mr. M Sarvanan             | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 14.     | Ms. Sukanya Shetty B       | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 15.     | Ms. Vinitha Venugopalan    | February 11, 2014 | 8,000                | 10.6            | ESOP Allotment |
| 16.     | Mr. Sanjay Sharma          | February 11, 2014 | 20,000               | 10.6            | ESOP Allotment |
| 17.     | Mr. Chandrashekar P Nair   | February 11, 2014 | 4,000                | 10.6            | ESOP Allotment |
| 18.     | Mr. Kannan Ravindran Naidu | May 8, 2014       | 90,000               | 10.6            | ESOP Allotment |
| 19.     | Mr. A.M. Sundar            | May 8, 2014       | 60,000               | 10.6            | ESOP Allotment |
| 20.     | Mr. Pradeep Dubey          | May 8, 2014       | 37,500               | 10.6            | ESOP Allotment |
| 21.     | Mr. Shivananda N           | May 8, 2014       | 15,000               | 10.6            | ESOP Allotment |
| 22.     | Mr. Nitin Vasant Bhide     | May 8, 2014       | 15,000               | 10.6            | ESOP Allotment |
| 23.     | Mr. Debabrata Satpathy     | May 8, 2014       | 15,000               | 10.6            | ESOP Allotment |
| 24.     | Mr. Prashant Deshpande     | May 8, 2014       | 15,000               | 10.6            | ESOP Allotment |
| 25.     | Mr. Shailesh Acharya       | May 8, 2014       | 15,000               | 10.6            | ESOP Allotment |
| 26.     | Mr. Gowri Sankar G         | May 8, 2014       | 9,000                | 10.6            | ESOP Allotment |

| Sr. No.      | Name of Allottees            | Date of allotment | No. of Equity Shares | Issue price (₹) | Reason         |
|--------------|------------------------------|-------------------|----------------------|-----------------|----------------|
| 27.          | Mr. Jagetiya Rupesh Ratanlal | May 8, 2014       | 9,000                | 10.6            | ESOP Allotment |
| 28.          | Mr. Vishal Rajendra Vyas     | May 8, 2014       | 1,000                | 10.6            | ESOP Allotment |
| 29.          | Mr. Yogesh C Deshpande       | May 8, 2014       | 3,000                | 10.6            | ESOP Allotment |
| 30.          | Mr. Sachin Kumar Malkudkar   | May 8, 2014       | 6,000                | 10.6            | ESOP Allotment |
| 31.          | Mr. Sanket K                 | May 8, 2014       | 6,000                | 10.6            | ESOP Allotment |
| 32.          | Mr. Deepak Soni              | May 8, 2014       | 2,500                | 10.6            | ESOP Allotment |
| 33.          | Mr. Shivkumar D. S           | May 8, 2014       | 2,000                | 10.6            | ESOP Allotment |
| 34.          | Mr. Deepak Soni              | August 5, 2014    | 3,500                | 10.6            | ESOP Allotment |
| 35.          | Mr. Shivkumar D. S           | August 5, 2014    | 4,000                | 10.6            | ESOP Allotment |
| 36.          | Mr. Vikas Kumar              | August 5, 2014    | 9,000                | 10.6            | ESOP Allotment |
| 37.          | Mr. Jayant Ojha              | August 5, 2014    | 20,000               | 15.4            | ESOP Allotment |
| <b>Total</b> |                              |                   | <b>607,500</b>       |                 |                |

17. Our Company has not issued any Equity Shares out of revaluation of reserves.
18. All Equity Shares in the Issue are fully paid up and there are no partly paid up Equity Shares as on the date of this Prospectus.
19. Except for the vesting of the options granted under ESOP 2012 and their consequent conversion into Equity Shares, our Company presently do not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus issue or on a rights basis or by way of further public issue of Equity Shares or qualified institutional placements or otherwise. However, if our Company enters into any acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use the Equity Shares as currency for acquisition or participation in such joint ventures.
20. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.
21. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.
22. The Promoter and Promoter Group will not participate in the Issue.
23. There have been no financial arrangements whereby the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity during a period of six months preceding the date of filing of the Draft Red Herring Prospectus.
24. Our Promoter, GDL, has on March 11, 2014, pursuant to a share purchase agreement dated August 29, 2013 with Nichirei Logistics Group Inc., acquired 7,400,000 Equity Shares of our Company.

25. 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 receive allotments.
26. Our Company shall ensure that transactions in the Equity Shares of our Company by our Promoter and members of our Promoter Group between the filing the Red Herring Prospectus with the Registrar of Companies and the date of closure of the Issue shall be intimated to the stock exchanges within 24 hours of such transaction.

## OBJECTS OF THE ISSUE

The objects of the Issue are:

- a. Capital expenditure for setting up new temperature controlled and ambient warehouses;
- b. Long term working capital; and
- c. General corporate purposes.

The main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

### Requirement of Funds

#### *Issue Proceeds and Net Proceeds*

The details of the proceeds of the Issue are summarised in the table below:

| Particulars                                       | Amount (in ₹ million) |
|---------------------------------------------------|-----------------------|
| Gross proceeds from the Issue                     | 1,974.00              |
| Issue related expenses                            | 157.75                |
| Net proceeds of the Issue ( <b>Net Proceeds</b> ) | <b>1,816.25</b>       |

### Utilisation of the Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table below:

| Particulars                                                                          | Amount (in ₹ million) |
|--------------------------------------------------------------------------------------|-----------------------|
| Capital expenditure for setting up new temperature controlled and ambient warehouses | 1,282.81              |
| Long term working capital                                                            | 84.17                 |
| General corporate purposes                                                           | 449.27                |
| <b>Total Net Proceeds</b>                                                            | <b>1,816.25</b>       |

### Details of the Objects of the Issue

Except for the long term working capital requirement which is proposed to be raised as set out below, the stated objects of the Issue are proposed to be financed entirely out of the Net Proceeds. Accordingly, we confirm that we are not required to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue. The Net Proceeds, after deduction of all issue expenses, are estimated to be approximately ₹ 1,816.25 million.

The fund requirement described below is based on the management estimates and is not appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan and estimates from time to time and consequently our funding requirements and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds, subject to compliance with applicable law.

Our historical capital expenditure may not be reflective of our future capital expenditure plans. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular object at the discretion of our management. The current estimates are based on the quotations received by us and management estimates. As of July 31, 2014, we have not entered into definitive agreements or placed orders for the purchase of plant and machinery aggregating ₹117.34 million constituting 18.44% of the proposed expenditure in that regard. As some of quotations received are valid up to period mentioned in the respective quotations, we may need to obtain fresh quotation before placing the firm

order. Hence the actual cost may vary.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into debt arrangements as required.

Any variation in the objects of the Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed thereunder.

According to the audited financial statements of our Company, the internal accruals for the year ended March 31, 2013 and March 31, 2014 were ₹139,640,209 and ₹146,645,070, respectively.

In addition, the estimated dates of completion of the warehouses / expected dates of delivery of plant and machinery, as described in this section, are based on management's current expectations and are subject to change due to various factors including those described above, some of which may not be in our control. Accordingly, the net proceeds of the Issue would be used to meet all or any of the uses of the funds described herein.

#### **Schedule of Implementation/Utilization of Net Proceeds**

The details of the proposed utilization of the Net Proceeds of the Issue and the deployment of the Net Proceeds of the Issue, as currently estimated by our Company, during Fiscals 2014 and 2015, and the expenditure incurred as of July 31, 2014, is set forth below.

*(in ₹ million)*

| Particulars                                                                          | Estimated Total Cost | Amount deployed as of July 31, 2014 |               | Balance Amount to be deployed |                                      |                 | Schedule of Deployment of Net Proceeds as of March 31, 2015 |
|--------------------------------------------------------------------------------------|----------------------|-------------------------------------|---------------|-------------------------------|--------------------------------------|-----------------|-------------------------------------------------------------|
|                                                                                      |                      | Own Funds                           | Bridge Loan   | Own Funds                     | Working Capital Facilities available | Net Proceeds    |                                                             |
| Capital expenditure for setting up new temperature controlled and ambient warehouses | 1,403.46             | 120.65                              | 756.59        | -                             | -                                    | 526.22          | 526.22                                                      |
| Long term working capital                                                            | 164.28               | NA                                  | NA            | 52.61                         | 27.50                                | 84.17           | 84.17                                                       |
| General corporate purposes                                                           | 449.27               | -                                   | -             | -                             | -                                    | 449.27          | 449.27                                                      |
| <b>Total</b>                                                                         | <b>2,017.01</b>      | <b>120.65</b>                       | <b>765.59</b> | <b>52.61</b>                  | <b>27.50</b>                         | <b>1,059.66</b> | <b>1,059.66</b>                                             |

\* As certified by V. Kiranmayi, Chartered Accountant, vide their certificate dated August 6, 2014.

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

#### **Details of the Objects of the Issue**

## 1. Capital expenditure for setting up new warehouses:

Our Company proposes to set up 6 temperature controlled warehouses and 2 ambient warehouses at 6 cities. The estimated total fund requirement for construction of these warehouses is ₹1,403.46 million. The details with respect to individual warehouses are as follows:

(in ₹ million)

| Sr. No.                          | Location                                   | Total estimated cost | Amount deployed as at July 31, 2014** |             | Balance amount to be deployed from Net Proceeds | Estimated schedule of deployment of Net Proceeds for Fiscal 2015 |
|----------------------------------|--------------------------------------------|----------------------|---------------------------------------|-------------|-------------------------------------------------|------------------------------------------------------------------|
|                                  |                                            |                      | Own Funds                             | Bridge loan |                                                 |                                                                  |
| Temperature controlled warehouse |                                            |                      |                                       |             |                                                 |                                                                  |
| A.                               | Mumbai-I, Taloja (near Mumbai)             | 320.00               | 70.32                                 | 183.85      | 65.83                                           | 65.83                                                            |
| B.                               | Cuttack (near Bhubaneswar)                 | 179.39               | 30.71                                 | 130.38      | 18.30                                           | 18.30                                                            |
| C.                               | Pune                                       | 220.51               | 2.42                                  | 166.89      | 51.20                                           | 51.20                                                            |
| D.                               | Chennai-I, Mevalurkuppam, (near Chennai)   | 123.25               | 11.01                                 | 90.27       | 21.97                                           | 21.97                                                            |
| E.                               | Chennai- II, Mevalurkuppam, (near Chennai) | 285.32               | -                                     | 8.90        | 276.42                                          | 276.42                                                           |
| F.                               | Visakhapatnam                              | 206.29               | 6.19                                  | 137.79      | 62.31                                           | 62.31                                                            |
| Ambient warehouse                |                                            |                      |                                       |             |                                                 |                                                                  |
| G.                               | Pune (Ambient)                             | 37.70                | -                                     | 23.04       | 14.66                                           | 14.66                                                            |
| H.                               | Surat (Ambient)                            | 31.00                | -                                     | 15.47       | 15.53                                           | 15.53                                                            |
| Total                            |                                            | 1,403.46             | 120.65                                | 756.59      | 526.22                                          | 526.22                                                           |

\*\*Our Company has availed of a bridge loan facility from Yes Bank Limited pursuant to a loan agreement dated December 27, 2013 (Bridge Loan). As of July 31, 2014, our Company has utilised a sum of ₹756.59 million from the said Bridge Loan. In addition, our Company has also deployed a sum of ₹120.65 million from its own funds. To the extent that our Company deploys the funds from the Bridge Loan towards the objects of the issue, such funds will be repaid out of the Net Proceeds.

### A. Mumbai – I, Taloja (near Mumbai)

The following table sets out the break-up of the costs in setting up a temperature controlled warehouse at Taloja based on quotations received from suppliers, work / purchase orders placed and management estimates:

| Sl. No.      | Particulars                       | Total Estimated Cost (₹ in millions) | Amount paid as of July 31, 2014 (₹ in millions) |
|--------------|-----------------------------------|--------------------------------------|-------------------------------------------------|
| I.           | Civil, electrical and other works | 179.88                               | 126.72                                          |
| II.          | Plant and machinery               | 140.12                               | 127.45                                          |
| <b>Total</b> |                                   | <b>320.00</b>                        | <b>254.17</b>                                   |

### I. Civil, electrical and other works

The breakup of costs in respect of civil, electrical and other works are as follows:

| Category                              | Date of Quotation                  | Vendor / Contractor                                               | Date of Work / Purchase Order, if placed                      | Amount (₹ in millions) |
|---------------------------------------|------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|------------------------|
| Civil (including consultancy charges) | August 21, 2013 for further works. | R. Gopinath for civil works and P. S. Subramanian for consultancy | May 10, 2013 for civil works<br>July 12, 2013 for consultancy | 146.36                 |

| Category               | Date of Quotation | Vendor / Contractor                          | Date of Work / Purchase Order, if placed                                                                      | Amount (₹ in millions) |
|------------------------|-------------------|----------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------|
| Electrical             | -                 | Perfect Engineers                            | Work Orders on September 3, 2013, September 13, 2013, December 10, 2013, February 4, 2014, and March 17, 2014 | 11.32                  |
| General lighting       | -                 | Sanchana Guru Distributors                   | October 23, 2013                                                                                              | 1.25                   |
| Voltage stabilizer     | -                 | Atandra Energy Private Limited               | September 11, 2013                                                                                            | 0.08                   |
| UPS– inverter          | -                 | Perpetual Power Services Private Limited     | December 12, 2013                                                                                             | 0.21                   |
| Interior               | -                 | Balaji Interiors and Featherlite Collections | December 30, 2013 to Balaji Interiors<br>January 21, 2014 to Featherlite Collections                          | 1.29                   |
| Office Air-conditioner | August 20, 2013   | Classic Cooling Systems Private Limited      | -                                                                                                             | 0.48                   |
| Fire hydrant           | -                 | Aqua Fire Controls                           | January 20, 2014                                                                                              | 2.73                   |
| <b>Sub-total</b>       |                   |                                              |                                                                                                               | <b>163.72</b>          |
| Contingency            |                   |                                              |                                                                                                               | 16.16                  |
| <b>Total</b>           |                   |                                              |                                                                                                               | <b>179.88</b>          |

## II. Plant and Machinery

The details of the plant and machinery and the estimated cost breakup:

| Category             | Date of Quotation | Vendor                                           | Date of Work / Purchase Order, if placed                              | Date of supply                                   | Expected date of supply | Amount (₹ in millions) |
|----------------------|-------------------|--------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------|-------------------------|------------------------|
| Refrigeration        | -                 | Carrier Air-conditioning & Refrigeration Limited | September 2, 2013                                                     | April 8, 2014                                    | -                       | 37.72                  |
| Insulation and panel | -                 | Lloyd Insulation (India) Limited                 | July 23, 2013 and June 10, 2014                                       | December 24, 2013 and June 11, 2014              | -<br>-                  | 40.97                  |
| Doors and docks      | -                 | Metaflex India Private Limited                   | August 3, 2013 and February 3, 2014<br>April 21, 2014<br>June 4, 2014 | February 28, 2014<br>May 5, 2014<br>July 9, 2014 | -<br>-<br>-             | 14.47                  |
| Storage and racking  | -                 | TMTE Metal Tech Private Limited                  | July 23, 2013                                                         | March 11, 2014                                   | -                       | 13.20                  |
| Air curtain          | -                 | Almonard Private Limited                         | November 8, 2013                                                      | January 16, 2014                                 |                         | 0.25                   |
| DG set               | -                 | Powerica Limited                                 | September 20, 2013                                                    | January 21, 2014                                 |                         | 2.70                   |
| Exhaust              | -                 | Powerica                                         | February 4, 2014                                                      | April 30,                                        |                         | 0.04                   |

| Category                  | Date of Quotation | Vendor                                       | Date of Work / Purchase Order, if placed | Date of supply     | Expected date of supply | Amount (₹ in millions) |
|---------------------------|-------------------|----------------------------------------------|------------------------------------------|--------------------|-------------------------|------------------------|
| fabrication DG            |                   | Limited                                      |                                          | 2014               |                         |                        |
| Exhaust material          | -                 | Powerica Limited                             | February 4, 2014                         | April 30, 2014     |                         | 0.16                   |
| Traction battery          | -                 | Aegan Batteries Limited                      | September 11, 2013                       | November 9, 2013   |                         | 1.38                   |
| Traction charger          | -                 | Rege Associates                              | September 4, 2013                        | December 28, 2013  |                         | 0.12                   |
| Reach truck               | -                 | Crown Equipment Corporation                  | August 19, 2013                          | February 17, 2014  |                         | 10.09                  |
| Forklift                  | -                 | Godrej & Boyce Manufacturing Company Limited | November 21, 2013                        | April 7, 2014      |                         | 2.98                   |
| Pallet trolleys           | -                 | Jaldoot Materials Handling Private Limited   | September 5, 2013                        | January 31, 2014   |                         | 0.24                   |
| Door guards               | -                 | M. Periya Marutha Pandiyan                   | October 3, 2013                          | February 17, 2014  |                         | 1.49                   |
| Diesel tank               | March 8, 2013     | Insutech Engineering (India) Private Limited | -                                        | -                  | September, 2014         | 0.03                   |
| Office locker             | -                 | Hari Om Furnitures                           | January 10, 2014                         | February 7, 2014   | -                       | 0.04                   |
| Data logger               | -                 | Business Combine Corporation                 | July 24, 2013                            | September 12, 2013 | -                       | 0.15                   |
| Closed circuit television | -                 | Synkro Technologies                          | March 17, 2014                           | March 18, 2014     | -                       | 0.33                   |
| Pest O Flash              | -                 | Pest Control (India) Private Limited         | February 12, 2014                        | February 24, 2014  | -                       | 0.13                   |
| Computer units            | -                 | Rap Infosolutions Pvt. Ltd.                  | March 17, 2014                           | March 18, 2014     | -                       | 0.14                   |
| Printer                   | -                 | Rap Infosolutions Pvt. Ltd.                  | March 17, 2014                           | March 18, 2014     | -                       | 0.01                   |
| Computer cabling/net work | -                 | Orient Technologies Pvt. Ltd.                | March 4, 2014                            | March 18, 2014     | -                       | 0.07                   |
| Computer-UPS              | -                 | Perpetual Power Services Private Limited     | March 10, 2014                           | March 14, 2014     | -                       | 0.11                   |
| Hand tools &              | -                 | Bhavani Agencies                             | June 4, 2014                             | June 6, 2014       | -                       | 0.06                   |

| Category            | Date of Quotation | Vendor                       | Date of Work / Purchase Order, if placed | Date of supply    | Expected date of supply | Amount (₹ in millions) |
|---------------------|-------------------|------------------------------|------------------------------------------|-------------------|-------------------------|------------------------|
| Refrigeration tools |                   |                              |                                          |                   |                         |                        |
| Dock Light          | -                 | Victory Engineers            | November 12, 2013                        | December 10, 2013 | -                       | 0.12                   |
| Fire Extinguisher   | -                 | Metro Fire & Safety Services | January 10, 2014                         | February 21, 2014 | -                       | 0.06                   |
| <b>Sub-total</b>    |                   |                              |                                          |                   |                         | <b>127.06</b>          |
| Contingency         |                   |                              |                                          |                   |                         | 13.06                  |
| <b>Total</b>        |                   |                              |                                          |                   |                         | <b>140.12</b>          |

## B. Cuttack (near Bhubaneswar)

The following table sets out a detailed break-up of the setting up a temperature controlled warehouse at Cuttack based on quotations received from suppliers, work / purchase orders placed and management estimates:

| Sl. No.      | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ million) |
|--------------|-----------------------------------|-------------------------------------|------------------------------------------------|
| I.           | Civil, electrical and other works | 97.76                               | 94.95                                          |
| II.          | Plant and machinery               | 81.63                               | 66.14                                          |
| <b>Total</b> |                                   | <b>179.39</b>                       | <b>161.09</b>                                  |

## I. Civil, electrical and other works

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                              | Date of Quotation                                | Vendor                                        | Date of Work / Purchase Order, if placed                                             | Amount (in ₹ million) |
|---------------------------------------|--------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------|-----------------------|
| Civil (including consultancy charges) | August 20, 2013 for further civil work           | A. S. & Company for Civil                     | May 10, 2013 for civil works                                                         | 76.51                 |
|                                       | August 21, 2013 for consultancy for further work | P. S. Subramanian for consultancy             | July 12, 2013 for consultancy                                                        |                       |
| Electrical                            | -                                                | Perfect Engineers                             | November 8, 2013 and June 18, 2014                                                   | 7.24                  |
| General lighting                      | -                                                | Sanchana Guru Distributors                    | October 23, 2013                                                                     | 0.48                  |
| Voltage stabilizer                    | -                                                | Atandra Energy Private Limited                | September 11, 2013                                                                   | 0.05                  |
| UPS – inverter                        | -                                                | Foresight Automation Products Private Limited | January 21, 2014                                                                     | 0.10                  |
| Interior                              | -                                                | Balaji Interiors and Featherlite Collections  | December 30, 2013 to Balaji Interiors<br>January 21, 2014 to Featherlite Collections | 2.69                  |
| Office Air-conditioners               | -                                                | Aircon India                                  | April 29, 2014                                                                       | 0.15                  |

| Category         | Date of Quotation | Vendor             | Date of Work / Purchase Order, if placed | Amount (in ₹ million) |
|------------------|-------------------|--------------------|------------------------------------------|-----------------------|
| Fire hydrant     | August 23, 2013   | Aqua Fire Controls | -                                        | 1.50                  |
| <b>Sub-total</b> |                   |                    |                                          | <b>88.72</b>          |
| Contingency      |                   |                    |                                          | 9.04                  |
| <b>Total</b>     |                   |                    |                                          | <b>97.76</b>          |

## II. Plant and Machinery

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category               | Date of Quotation | Vendor                                           | Date of Work / Purchase Order, if placed | Date of supply                    | Expected date of supply | Amount (in ₹ million) |
|------------------------|-------------------|--------------------------------------------------|------------------------------------------|-----------------------------------|-------------------------|-----------------------|
| Refrigeration          | -                 | Carrier Air-conditioning & Refrigeration Limited | September 2, 2013                        | May 16, 2014                      | -                       | 24.76                 |
| Insulation and panel   | -                 | Lloyd Insulation (India) Limited                 | July 23, 2013                            | April 1, 2014                     | -                       | 23.92                 |
| Doors and docks        | -                 | Metaflex Doors India Private Limited             | December 10, 2013<br>May 7, 2014         | February 28, 2014<br>June 2, 2014 | -<br>-                  | 6.16                  |
| Storage and racking    | -                 | TMTE Metal Tech Private Limited                  | September 3, 2013                        | April 12, 2014                    | -                       | 7.49                  |
| Air curtain            | -                 | Almonard Private Limited                         | November 8, 2013                         | May 4, 2014                       | -                       | 0.18                  |
| DG set                 | -                 | Powerica Limited                                 | September 20, 2013                       | January 3, 2014                   | -                       | 1.67                  |
| Exhaust fabrication DG | -                 | Global Marketing Corporation                     | May 20, 2014                             | May 28, 2014                      | -                       | 0.03                  |
| Exhaust material       | -                 | Global Marketing Corporation                     | May 5, 2014                              | May 28, 2014                      | -                       | 0.08                  |
| Traction battery       | -                 | Aegan Batteries Limited                          | September 11, 2013                       | March 22, 2014                    | -                       | 0.92                  |
| Traction charger       | -                 | Rege Associates                                  | September 4, 2013                        | May 20, 2014                      | -                       | 0.12                  |
| Reach truck            | -                 | Crown Equipment Corporation                      | August 19, 2013                          | May 15, 2014                      | -                       | 6.72                  |
| Pallet trolleys        | -                 | Jaldoot Material Handling Private Limited        | September 5, 2013                        | May 8, 2014                       | -                       | 0.16                  |

| Category                  | Date of Quotation | Vendor                                       | Date of Work / Purchase Order, if placed | Date of supply     | Expected date of supply | Amount (in ₹ million) |
|---------------------------|-------------------|----------------------------------------------|------------------------------------------|--------------------|-------------------------|-----------------------|
| Door guards               | -                 | M. Periya Marutha Pandiyan                   | February 14, 2014                        | May 15, 2014       | -                       | 0.69                  |
| Diesel tank               | March 8, 2013     | Insutech Engineering (India) Private Limited | -                                        | -                  | September, 2014         | 0.03                  |
| Office locker             | -                 | Sriram Industries                            | May 2, 2014                              | May 14, 2014       | -                       | 0.04                  |
| Data logger               | -                 | Business Combine Corporation                 | July 24, 2013                            | September 12, 2013 | -                       | 0.12                  |
| Closed circuit television | August 10, 2013   | Reliance w Systems                           | -                                        | -                  | September, 2014         | 0.14                  |
| Pest O Flash              | -                 | Pest Control (India) Private Limited         | April 28, 2014                           | May 5, 2014        | -                       | 0.06                  |
| Computer units            | -                 | Rap Info Solutions Private Limited           | May 8, 2014                              | May 15, 2014       | -                       | 0.11                  |
| Printer                   | -                 | Rap Info Solutions Private Limited           | May 8, 2014                              | May 15, 2014       | -                       | 0.02                  |
| Computer cabling/net work | -                 | Lakshya Infotech                             | May 8, 2014                              | May 17, 2014       | -                       | 0.32                  |
| Computer-UPS              | -                 | J S Electricals                              | May 8, 2014                              | May 15, 2014       | -                       | 0.18                  |
| Hand tools                | -                 | Bhavani Agencies                             | June 11, 2014                            | June 15, 2014      | -                       | 0.06                  |
| Refrigeration tools       | -                 | Boulton Trading Corporation                  | June 4, 2014                             | June 29, 2014      | -                       | 0.04                  |
| Dock Light                | -                 | Victory Engineers                            | November 12, 2013                        | March 27, 2014     | -                       | 0.04                  |
| Fire Extinguisher         | -                 | Royal Fire Protection                        | April 28, 2014                           | May 18, 2014       | -                       | 0.06                  |
| <b>Sub-total</b>          |                   |                                              |                                          |                    |                         | <b>74.12</b>          |
| Contingency               |                   |                                              |                                          |                    |                         | 7.51                  |
| <b>Total</b>              |                   |                                              |                                          |                    |                         | <b>81.63</b>          |

### C. Pune

The following table sets out the break-up of the costs in setting up a temperature controlled warehouse at Pune based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No.      | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ million) |
|--------------|-----------------------------------|-------------------------------------|------------------------------------------------|
| I.           | Civil, electrical and other works | 117.95                              | 95.86                                          |
| II.          | Plant and machinery               | 102.56                              | 73.45                                          |
| <b>Total</b> |                                   | <b>220.51</b>                       | <b>169.31</b>                                  |

### **I. Civil, electrical and other works**

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                              | Date of quotation | Vendor                                                            | Date of Work / Purchase Order, if placed                                                   | Amount (in ₹ million) |
|---------------------------------------|-------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------|
| Civil (including consultancy charges) | -                 | R. Gopinath for civil works and P. S. Subramanian for consultancy | September 5, 2013 for civil works.<br>November 26, 2013 for Consultant                     | 95.35                 |
| Electrical                            | -                 | Perfect Engineers and Power Controls & Solutions                  | September 27, 2013 to Power Controls & Solutions<br>December 10, 2013 to Perfect Engineers | 6.88                  |
| General lighting                      | -                 | Sanchana Guru Distributors                                        | October 23, 2013                                                                           | 0.51                  |
| Voltage stabilizer                    | -                 | Atandra Energy Private Limited                                    | September 11, 2013                                                                         | 0.05                  |
| UPS inverter                          | -                 | Foresight Automation Products Private Limited                     | May 8, 2014                                                                                | 0.10                  |
| Interior                              |                   | Balaji Interiors and Featherlite Collections                      | June 2, 2014 for Balaji Interiors and May 29, 2014 for Featherlite Collections             | 2.35                  |
| Office Air-conditioner                | -                 | Classic Cooling Systems Private Limited                           | June 12, 2014                                                                              | 0.15                  |
| Fire hydrant                          | August 23, 2013   | Aqua Fire Controls                                                | -                                                                                          | 1.50                  |
| <b>Sub-total</b>                      |                   |                                                                   |                                                                                            | <b>106.89</b>         |
| Contingency                           |                   |                                                                   |                                                                                            | 11.06                 |
| <b>Total</b>                          |                   |                                                                   |                                                                                            | <b>117.95</b>         |

### **II. Plant and Machinery**

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category     | Date of Quotation | Vendor  | Date of Work / Purchase Order, if placed | Date of supply | / Expected date of supply | Amount (in ₹ million) |
|--------------|-------------------|---------|------------------------------------------|----------------|---------------------------|-----------------------|
| Refrigeratio | -                 | Carrier | September 2,                             | July 4, 2014   | -                         | 29.05                 |

| Category                  | Date of Quotation | Vendor                                                         | Date of Work / Purchase Order, if placed   | Date of supply | / Expected date of supply | Amount (in ₹ million) |
|---------------------------|-------------------|----------------------------------------------------------------|--------------------------------------------|----------------|---------------------------|-----------------------|
| n                         |                   | Airconditioning & Refrigeration Limited and Esli Refrigeration | 2013 and December 24, 2013<br>May 21, 2014 |                |                           |                       |
| Insulation and panel      | -                 | Lloyd Insulations (India) Limited                              | September 2, 2013                          | June 2, 2014   | -                         | 28.08                 |
| Doors and Docks           | -                 | Metaflex Doors India Private Limited                           | November 29, 2013                          | March 25, 2014 | -                         | 8.87                  |
| Storage and Racking       | -                 | TMTE Metal Tech Private Limited                                | September 3, 2013                          | June 24, 2014  | -                         | 8.90                  |
| Air Curtain               | -                 | Almonard Private Limited                                       | May 27, 2014                               | June 26, 2014  | -                         | 0.25                  |
| DG Set                    | -                 | Powerica Limited                                               | September 20, 2013                         | June 8, 2014   | -                         | 1.98                  |
| Exhaust fabrication DG    | August 23, 2013   | Rameshwar Engineers                                            | -                                          | -              | August, 2014              | 0.10                  |
| Exhaust material          | August 23, 2013   | Rameshwar Engineers                                            | -                                          | -              | August, 2014              | 0.10                  |
| Traction Battery          | -                 | Aegan Batteries Limited                                        | September 11, 2013                         | June 4, 2014   | -                         | 1.38                  |
| Traction Charger          | -                 | Rege Associates                                                | September 4, 2013                          | June 20, 2014  | -                         | 0.12                  |
| Reach Truck               | -                 | Crown Equipment Corporation                                    | August 19, 2013                            | -              | August, 2014              | 10.09                 |
| Forklift                  | -                 | Godrej & Boyce Manufacturing Company Limited                   | November 21, 2013                          | -              | September, 2014           | 1.48                  |
| Pallet Trolleys           | -                 | Jaldoot Materials Handling Private Limited                     | September 5, 2013                          | June 23, 2014  | -                         | 0.20                  |
| Door guards               | -                 | M. Periya Marutha Pandiyan                                     | May 22, 2014                               | June 20, 2014  | -                         | 1.05                  |
| Diesel Tank               | August 27, 2013   | Insutech Engineering (India) Private Limited                   | -                                          | -              | September, 2014           | 0.03                  |
| Office Locker             | -                 | Hari Om Furnitures                                             | June 13, 2014                              | June 13, 2014  | -                         | 0.04                  |
| Data Logger               | -                 | Business Combine Corporation                                   | February 14, 2014                          | May 5, 2014    |                           | 0.13                  |
| Closed circuit television | August 10, 2013   | Reliance Systems w                                             | -                                          | -              | September, 2014           | 0.14                  |

| Category                  | Date of Quotation | Vendor                               | Date of Work / Purchase Order, if placed | Date of supply    | / Expected date of supply | Amount (in ₹ million) |
|---------------------------|-------------------|--------------------------------------|------------------------------------------|-------------------|---------------------------|-----------------------|
| Pest O Flash              | -                 | Pest Control (India) Private Limited | June 2, 2014                             | July 2, 2014      | -                         | 0.08                  |
| Computer units            | August 20, 2013   | Creative Info Services               | -                                        | -                 | August, 2014              | 0.35                  |
| Printer                   | August 20, 2013   | Ricoh India Limited                  | -                                        | -                 | August, 2014              | 0.13                  |
| Computer Cabling/net work | -                 | J S Electricals                      | June 11, 2014                            | July 5, 2014      | -                         | 0.27                  |
| Computer – UPS            | -                 | J S Electricals                      | June 13, 2014                            | July 5, 2014      | -                         | 0.10                  |
| Hand tools                | -                 | Bhavani Agencies                     | June 11, 2014                            | July 3, 2014      | -                         | 0.06                  |
| Refrigeration tools       | -                 | Boulton Trading Corporation          | June 4, 2014                             | June 21, 2014     | -                         | 0.04                  |
| Dock Light                | -                 | Victory Engineers                    | November 12, 2013                        | December 13, 2013 | -                         | 0.08                  |
| Fire Extinguisher         | -                 | Royaal Fire Protection               | June 5, 2014                             | -                 | August, 2014              | 0.06                  |
| <b>Sub-total</b>          |                   |                                      |                                          |                   |                           | <b>93.16</b>          |
| Contingency               |                   |                                      |                                          |                   |                           | 9.40                  |
| <b>Total</b>              |                   |                                      |                                          |                   |                           | <b>102.56</b>         |

#### D. Chennai – I, Mevalurkuppam, (near Chennai)

The following table sets out the break-up of the costs in setting up a temperature controlled warehouse at Chennai based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No.      | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ millions) |
|--------------|-----------------------------------|-------------------------------------|-------------------------------------------------|
| I.           | Civil, electrical and other works | 60.71                               | 46.02                                           |
| II.          | Plant and machinery               | 62.54                               | 55.26                                           |
| <b>Total</b> |                                   | <b>123.25</b>                       | <b>101.28</b>                                   |

#### I. Civil, electrical and other works

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                              | Date of quotation | Vendor                               | Date of Work / Purchase Order, if placed | Amount (in ₹ million) |
|---------------------------------------|-------------------|--------------------------------------|------------------------------------------|-----------------------|
| Civil (including consultancy charges) | -                 | United Constructions for civil works | August 27, 2013 for civil works          | 44.45                 |
|                                       |                   | P. S. Subramanian for consultancy    | November 26, 2013 for consultancy        |                       |
| Electrical                            | -                 | Perfect Engineers                    | September 27, 2013 and February 4, 2014  | 7.25                  |

| Category               | Date of quotation | Vendor                                        | Date of Work / Purchase Order, if placed                                             | Amount (in ₹ million) |
|------------------------|-------------------|-----------------------------------------------|--------------------------------------------------------------------------------------|-----------------------|
| General lighting       | -                 | Sanchana Guru Distributors                    | February 24, 2014                                                                    | 0.35                  |
| Voltage stabilizer     | -                 | Atandra Energy Private Limited                | September 11, 2013                                                                   | 0.05                  |
| UPS – inverter         | -                 | Foresight Automation Products Private Limited | January 21, 2014                                                                     | 0.05                  |
| Interior               | -                 | Balaji Interiors and Featherlite Collections  | December 30, 2013 to Balaji Interiors<br>January 21, 2014 to Featherlite Collections | 1.48                  |
| Office Air-conditioner | -                 | Air-O-Matic Systems Pvt. Ltd.                 | March 21, 2014                                                                       | 0.08                  |
| Fire hydrant           | August 23, 2013   | Aqua Fire Controls                            | -                                                                                    | 1.50                  |
| <b>Sub-total</b>       |                   |                                               |                                                                                      | <b>55.21</b>          |
| Contingency            |                   |                                               |                                                                                      | 5.50                  |
| <b>Total</b>           |                   |                                               |                                                                                      | <b>60.71</b>          |

## II. Plant and Machinery

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category               | Date of Quotation | Vendor                                           | Date of Work / Purchase Order, if placed | Date of supply    | Expected date of supply | Amount (in ₹ million) |
|------------------------|-------------------|--------------------------------------------------|------------------------------------------|-------------------|-------------------------|-----------------------|
| Refrigeration          | -                 | Carrier Air-conditioning & Refrigeration Limited | December 24, 2013 and February 6, 2014   | May 30, 2014      | -                       | 19.89                 |
| Insulation and panel   | -                 | Lloyd Insulations (India) Limited                | July 23, 2013                            | March 21, 2014    | -                       | 16.12                 |
| Doors and Docks        | -                 | Metaflex Doors India Private Limited             | November 27, 2013                        | March 26, 2014    | -                       | 4.07                  |
| Storage and Racking    | -                 | TMTE Metal Tech Private Limited                  | July 23, 2013                            | March 25, 2014    | -                       | 4.99                  |
| Air Curtain            | -                 | Almonard Private Limited                         | February 5, 2014                         | April 07, 2014    | -                       | 0.16                  |
| DG Set                 | -                 | Powerica Limited                                 | December 20, 2013                        | January 28, 2014  | -                       | 1.25                  |
| Exhaust fabrication DG | -                 | Powerica Limited                                 | March 18, 2014                           | April 22, 2014    | -                       | 0.04                  |
| Exhaust material       | -                 | Powerica Limited                                 | March 18, 2014                           | April 22, 2014    | -                       | 0.12                  |
| Traction Battery       | -                 | Aegan Batteries Limited                          | September 11, 2013                       | February 19, 2014 | -                       | 0.92                  |
| Traction Charger       | -                 | Rege Associates                                  | September 4, 2013                        | March 8, 2014     | -                       | 0.06                  |
| Reach Truck            | -                 | Crown Equipment Corporation                      | August 19, 2013                          | April 15, 2014    | -                       | 6.72                  |

| Category                  | Date of Quotation | Vendor                                       | Date of Work / Purchase Order, if placed | Date of supply    | Expected date of supply | Amount (in ₹ million) |
|---------------------------|-------------------|----------------------------------------------|------------------------------------------|-------------------|-------------------------|-----------------------|
| Forklift                  | -                 | Godrej & Boyce Manufacturing Company Limited | November 21, 2013                        | -                 | August, 2014            | 1.48                  |
| Pallet Trolleys           | -                 | Jaldoot Materials Handling Private Limited   | September 5, 2013                        | March 29, 2014    | -                       | 0.14                  |
| Door guards               | -                 | M. Periya Marutha Pandiyan                   | February 14, 2014                        | April 7, 2014     | -                       | 0.40                  |
| Diesel Tank               | March 8, 2013     | Insutech Engineering (India) Private Limited | -                                        | -                 | September, 2014         | 0.03                  |
| Office Locker             | -                 | Vedam Enterprises                            | March 21, 2014                           | April 3, 2014     | -                       | 0.04                  |
| Data Logger               | -                 | Business Combine Corporation                 | July 24, 2013                            | September 9, 2013 | -                       | 0.08                  |
| Closed circuit television | August 10, 2013   | Reliance Systems w                           | -                                        | -                 | August, 2014            | 0.14                  |
| Pest O Flash              | -                 | Pest Control (India) Private Limited         | March 12, 2014                           | March 17, 2014    | -                       | 0.04                  |
| Computer units            | -                 | Rap Infosolutions Pvt. Ltd.                  | April 11, 2014                           | April 17, 2014    | -                       | 0.11                  |
| Printer                   | -                 | Rap Infosolutions Pvt. Ltd.                  | April 11, 2014                           | April 17, 2014    | -                       | 0.02                  |
| Computer Cabling/ network | -                 | Lakshya Infotech                             | April 11, 2014                           | April 17, 2014    | -                       | 0.22                  |
| Computer – UPS            | -                 | J S Electrical                               | April 11, 2014                           | April 23, 2014    | -                       | 0.09                  |
| Hand tools                | -                 | Bhavani Agencies                             | June 11, 2014                            | June 16, 2014     | -                       | 0.06                  |
| Refrigeration tools       | -                 | Boulton Trading Coporation                   | June 4, 2014                             | June 26, 2014     | -                       | 0.01                  |
| Dock Light                | -                 | Victory Engineers                            | November 12, 2013                        | February 25, 2014 | -                       | 0.04                  |
| Fire Extinguisher         | -                 | Royaal Fire Protection                       | March 12, 2014                           | April 30, 2014    | -                       | 0.05                  |
| <b>Sub-total</b>          |                   |                                              |                                          |                   |                         | <b>57.29</b>          |
| Contingency               |                   |                                              |                                          |                   |                         | 5.25                  |
| <b>Total</b>              |                   |                                              |                                          |                   |                         | <b>62.54</b>          |

#### E. Chennai – II, Mevalurkuppam, (near Chennai)

The following table sets out the break-up of the costs in setting up a temperature controlled warehouse at Chennai based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No. | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ million) |
|---------|-----------------------------------|-------------------------------------|------------------------------------------------|
| I.      | Civil, electrical and other works | 152.98                              | 8.90                                           |
| II.     | Plant and machinery               | 132.34                              | -                                              |

|              |               |             |
|--------------|---------------|-------------|
| <b>Total</b> | <b>285.32</b> | <b>8.90</b> |
|--------------|---------------|-------------|

## **I. Civil, electrical and other works**

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| <b>Category</b>                       | <b>Date of quotation</b>                                      | <b>Vendor</b>                                                    | <b>Date of Work / Purchase Order, if placed</b> | <b>Amount (in ₹ million)</b> |
|---------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------|------------------------------|
| Civil (including consultancy charges) | P. S. Subramanian-April 11, 2014                              | R Gopinath for civil works and P. S. Subramanian for consultancy | June 3, 2014 for R Gopinath                     | 126.38                       |
| Electrical                            | March 25, 2014                                                | Perfect Engineers                                                | -                                               | 10.48                        |
| General lighting                      | March 20, 2014                                                | Sanchana Guru Distributors                                       | -                                               | 0.70                         |
| Voltage stabilizer                    | March 21, 2014                                                | Aadi Electronics                                                 | -                                               | 0.05                         |
| UPS – inverter                        | March 21, 2014                                                | Foresight Automation Products Pvt. Ltd.                          | -                                               | 0.11                         |
| Interior                              | Balaji Interiors-April 2, 2014<br>Featherlite- March 25, 2014 | Balaji Interiors and Featherlite Collections                     | -                                               | 2.02                         |
| Office Air-conditioner                | March 20, 2014                                                | Classic Cooling Systems Private Limited                          | -                                               | 0.48                         |
| <b>Sub-total</b>                      |                                                               |                                                                  |                                                 | <b>140.22</b>                |
| Contingency                           |                                                               |                                                                  |                                                 | 12.76                        |
| <b>Total</b>                          |                                                               |                                                                  |                                                 | <b>152.98</b>                |

## **II. Plant and Machinery**

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| <b>Category</b>      | <b>Date of Quotation</b> | <b>Vendor</b>                                    | <b>Date of Work / Purchase Order, if placed</b> | <b>Date of supply</b> | <b>Expected date of supply</b> | <b>Amount (in ₹ million)</b> |
|----------------------|--------------------------|--------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------|------------------------------|
| Refrigeration        | March 20, 2014           | Carrier Air-conditioning & Refrigeration Limited | -                                               | -                     | November, 2014                 | 33.92                        |
| Insulation and panel | March 21, 2014           | Lloyd Insulations (India) Limited                | -                                               | -                     | October, 2014                  | 42.48                        |
| Doors and Docks      | March 21, 2014           | Metaflex Doors India Private Limited             | -                                               | -                     | December, 2014                 | 7.90                         |
| Storage and Racking  | March 21, 2014           | TMTE Metal Tech Private Limited                  | -                                               | -                     | January, 2015                  | 10.62                        |
| Air Curtain          | March 21, 2014           | Almonard Private Limited                         | -                                               | -                     | December, 2014                 | 0.25                         |
| DG Set               | March 24, 2014           | Powerica Limited                                 | -                                               | -                     | January,                       | 2.21                         |

| Category                         | Date of Quotation | Vendor                                       | Date of Work / Purchase Order, placed if | Date of supply | Expected date of supply | Amount (in ₹ million) |
|----------------------------------|-------------------|----------------------------------------------|------------------------------------------|----------------|-------------------------|-----------------------|
|                                  |                   |                                              |                                          |                | 2015                    |                       |
| Exhaust Fabrication DG           | March 21, 2014    | Rameshwar Engineers                          | -                                        | -              | January, 2015           | 0.08                  |
| Exhaust Material                 | March 21, 2014    | Rameshwar Engineers                          | -                                        | -              | January, 2015           | 0.08                  |
| Traction Battery                 | March 21, 2014,   | Aegan Batteries Limited                      | -                                        | -              | December, 2014          | 0.99                  |
| Traction Charger                 | March 24, 2014    | Rege Associates                              | -                                        | -              | January, 2015           | 0.12                  |
| Reach Truck                      | -                 | Crown Equipment Corporation                  | August 19, 2013                          | -              | October, 2014           | 16.81                 |
| Forklift                         | March 21, 2014    | Godrej & Boyce Manufacturing Company Limited | -                                        | -              | January, 2015           | 1.49                  |
| Pallet Trolleys                  | March 20, 2014    | Jaldoot Materials Handling Private Limited   | -                                        | -              | January, 2015           | 0.15                  |
| Door guards                      | March 23, 2014    | M. Periya Marutha Pandiyan                   | -                                        | -              | December, 2014          | 1.77                  |
| Office Locker                    | March 20, 2014    | Pranav Enterprises                           | -                                        | -              | January, 2015           | 0.05                  |
| Data Logger                      | March 25, 2014    | Business Combine Corporation                 | -                                        | -              | January, 2015           | 0.08                  |
| Closed circuit television        | March 21, 2014    | M R Telecom Private Limited                  | -                                        | -              | January, 2015           | 0.17                  |
| Pest O Flash                     | March 20, 2014    | Pest Control (India) Private Limited         | -                                        | -              | January, 2015           | 0.08                  |
| Computer units                   | March 25, 2014    | Lakshya Infotech                             | -                                        | -              | December, 2014          | 0.39                  |
| Printer                          | March 24, 2014    | Ricoh India Limited                          | -                                        | -              | January, 2015           | 0.12                  |
| Computer Cabling/ network        | March 21, 2014    | Lakshya Infotech                             | -                                        | -              | December, 2014          | 0.40                  |
| Computer – UPS                   | March 24, 2014    | Perpetual Power Services Private Limited     | -                                        | -              | December, 2014          | 0.25                  |
| Hand tools & Refrigeration tools | March 24, 2014    | Bluenile Trading Corporation                 | -                                        | -              | January, 2015           | 0.10                  |
| <b>Sub-total</b>                 |                   |                                              |                                          |                |                         | <b>120.51</b>         |
| Contingency                      |                   |                                              |                                          |                |                         | 11.83                 |
| <b>Total</b>                     |                   |                                              |                                          |                |                         | <b>132.34</b>         |

**F. Visakhapatnam**

The following table sets out the break-up of the costs in setting up a temperature controlled warehouse at Visakhapatnam based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No. | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ millions) |
|---------|-----------------------------------|-------------------------------------|-------------------------------------------------|
| I.      | Civil, electrical and other works | 107.94                              | 70.53                                           |
| II.     | Plant and machinery               | 98.35                               | 73.45                                           |
|         | <b>Total</b>                      | <b>206.29</b>                       | <b>143.98</b>                                   |

#### **I. Civil, electrical and other works**

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                              | Date of quotation | Vendor                                                                    | Date of Work / Purchase Order, if placed                              | Amount (in ₹ millions) |
|---------------------------------------|-------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|
| Civil (including consultancy charges) | -                 | United Constructions for civil works<br>P. S. Subramanian for consultancy | September 5 2013 for civil works<br>November 26, 2013 for consultancy | 87.29                  |
| Electrical                            | -                 | Perfect Engineers                                                         | September 27, 2013 and January 13, 2014                               | 6.53                   |
| General lighting                      | -                 | Sanchana Guru Distributors                                                | November 5, 2013                                                      | 0.53                   |
| Voltage stabilizer                    | -                 | Atandra Energy                                                            | September 11, 2013                                                    | 0.05                   |
| UPS – inverter                        | -                 | Foresight Automation Products Private Limited                             | January 21, 2014                                                      | 0.11                   |
| Interior                              |                   | Balaji Interiors and Featherlite Collections                              | June 17, 2014 for Balaji Interiors and June 4, 2014                   | 0.78                   |
| Office Air-conditioner                | -                 | S V Air Conditioning Systems                                              | June 12, 2014                                                         | 0.09                   |
| Fire hydrant                          | August 23, 2013   | Aqua Fire Control                                                         | -                                                                     | 1.50                   |
| <b>Sub-total</b>                      |                   |                                                                           |                                                                       | <b>96.88</b>           |
| Contingency                           |                   |                                                                           |                                                                       | 11.06                  |
| <b>Total</b>                          |                   |                                                                           |                                                                       | <b>107.94</b>          |

#### **II. Plant and Machinery**

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category      | Date of Quotation | Vendor                                           | Date of Work / Purchase Order, if placed | Date of supply | Expected date of supply | Amount (in ₹ millions) |
|---------------|-------------------|--------------------------------------------------|------------------------------------------|----------------|-------------------------|------------------------|
| Refrigeration | -                 | Carrier Air-conditioning & Refrigeration Limited | Work Orders on December 26, 2013         | May 6, 2014    | -                       | 28.91                  |
|               |                   | Esli Refrigeration                               | May 21, 2014                             | -              | September, 2014         |                        |

| Category                                    | Date of Quotation | Vendor                                       | Date of Work / Purchase Order, if placed | Date of supply | Expected date of supply | Amount (in ₹ millions) |
|---------------------------------------------|-------------------|----------------------------------------------|------------------------------------------|----------------|-------------------------|------------------------|
|                                             |                   | n                                            |                                          |                |                         |                        |
| Insulation and panel                        | -                 | Llyod Insulations (India) Limited            | December 9, 2013                         | May 19, 2014   | -                       | 24.96                  |
| Doors and Docks                             | -                 | Metaflex Doors India Private Limited         | November 29, 2013 and February 10, 2014  | April 7, 2014  | -                       | 9.60                   |
| Storage and Racking                         | -                 | TMTE Metal Tech Private Limited              | December 2, 2013                         | June 16, 2014  | -                       | 8.17                   |
| Air Curtain                                 | -                 | Almonard Private Limited                     | May 27, 2014                             | June 17, 2014  | -                       | 0.19                   |
| DG Set                                      | -                 | Powerica Limited                             | December 20, 2013                        | May 7, 2014    | -                       | 1.67                   |
| Exhaust fabrication DG and Exhaust material | -                 | Powerica Limited                             | June 13, 2014                            | June 20, 2014  | -                       | 0.13                   |
| Traction Battery                            | -                 | Aegan Batteries Limited                      | September 11, 2013                       | May 29, 2014   | -                       | 0.92                   |
| Traction Charger                            | -                 | Rege Associates                              | September 4, 2013                        | June 12, 2014  | -                       | 0.12                   |
| Reach Truck                                 | -                 | Crown Equipment Corporation                  | August 19, 2013                          | -              | August, 2014            | 10.09                  |
| Forklift                                    | August 20, 2013   | Godrej & Boyce Manufacturing Company Limited | -                                        | -              | September, 2014         | 1.52                   |
| Pallet Trolleys                             | -                 | Jaldoot Materials Handling Private Limited   | September 5, 2013                        | June 17, 2014  | -                       | 0.20                   |
| Door guards                                 | -                 | M. Periya Marutha Pandiyan                   | May 22, 2014                             | June 20, 2014  | -                       | 1.29                   |
| Diesel Tank                                 | August 27, 2013   | Insutech Engineering (India) Private Limited | -                                        | -              | September, 2014         | 0.03                   |
| Office Locker                               | -                 | Das & Co                                     | July 3, 2014                             | July 17, 2014  | -                       | 0.03                   |
| Data Logger                                 | -                 | Business Combine Corporation                 | February 14, 2014                        | June 5, 2014   | -                       | 0.13                   |

| Category                  | Date of Quotation | Vendor                               | Date of Work / Purchase Order, if placed | Date of supply   | Expected date of supply | Amount (in ₹ millions) |
|---------------------------|-------------------|--------------------------------------|------------------------------------------|------------------|-------------------------|------------------------|
| Closed circuit television | August 10, 2013   | Reliance w Systems                   | -                                        | -                | September, 2014         | 0.14                   |
| Pest O Flash              | -                 | Pest Control (India) Private Limited | June 2, 2014                             | June 7, 2014     | -                       | 0.08                   |
| Computer units            | August 20, 2013   | Creative Info Services               | -                                        | -                | August, 2014            | 0.28                   |
| Printer                   | August 20, 2013   | Ricoh India Limited                  | -                                        | -                | August, 2014            | 0.13                   |
| Computer Cabling/ network | -                 | J S Electricals                      | June 11, 2014                            | July 7, 2014     | -                       | 0.22                   |
| Computer – UPS            | -                 | J S Electricals                      | June 13, 2014                            | -                | August, 2014            | 0.10                   |
| Hand tools                | -                 | Bhavani Agencies                     | June 11, 2014                            | July 3, 2014     | -                       | 0.06                   |
| Refrigeratio n tools      | -                 | Boulton Trading Coporation           | June 4, 2014                             | July 1, 2014     | -                       | 0.04                   |
| Dock Light                | -                 | Victory Engineers                    | November 12, 2013                        | December 9, 2013 | -                       | 0.12                   |
| Fire Extinguisher         | -                 | Royal Fire Protection                | June 5, 2014                             | July 12, 2014    | -                       | 0.05                   |
| <b>Sub-total</b>          |                   |                                      |                                          |                  |                         | <b>89.18</b>           |
| Contingency               |                   |                                      |                                          |                  |                         | 9.17                   |
| <b>Total</b>              |                   |                                      |                                          |                  |                         | <b>98.35</b>           |

#### G. Pune – Ambient

The following table sets out the break-up of the costs in setting up an ambient warehouse at Pune based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No.      | Particulars                       | Total Estimated Cost (in ₹ million) | Amount paid as of July 31, 2014 (in ₹ millions) |
|--------------|-----------------------------------|-------------------------------------|-------------------------------------------------|
| I.           | Civil, electrical and other works | 29.14                               | 23.00                                           |
| II.          | Plant and machinery               | 8.56                                | 0.04                                            |
| <b>Total</b> |                                   | <b>37.70</b>                        | <b>23.04</b>                                    |

#### I. Civil, electrical and other works

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                      | Date of Quotation | Vendor                                                            | Date of Work / Purchase Order, if placed                   | Amount (in ₹ millions) |
|-------------------------------|-------------------|-------------------------------------------------------------------|------------------------------------------------------------|------------------------|
| Civil (including consultancy) | -                 | R. Gopinath for civil works and P. S. Subramanian for consultancy | September 5, 2013 for civil works<br>November 26, 2013 for | 25.98                  |

|                  |                 |                            |               |              |
|------------------|-----------------|----------------------------|---------------|--------------|
|                  |                 |                            | consultancy   |              |
| Electrical       | August 27, 2013 | Perfect Engineers          | -             | 0.35         |
| General Lighting | -               | Sanchana Guru Distributors | July 11, 2014 | 0.10         |
| <b>Sub-total</b> |                 |                            |               | <b>26.43</b> |
| Contingency      |                 |                            |               | 2.71         |
| <b>Total</b>     |                 |                            |               | <b>29.14</b> |

## II. Plant and Machinery

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category            | Date of Quotation | Vendor                                     | Date of Work / Purchase Order, if placed | Date of supply | / Expected date of supply | Amount (in ₹ millions) |
|---------------------|-------------------|--------------------------------------------|------------------------------------------|----------------|---------------------------|------------------------|
| Doors and Docks     | August 21, 2013   | Metaflex Doors India Private Limited       | -                                        | -              | September, 2014           | 0.52                   |
| Storage and Racking | August 21, 2013   | TMTE Metal Tech Private Limited            | -                                        | -              | September, 2014           | 3.19                   |
| Traction Battery    | July 18, 2013     | Aegan Batteries Limited                    | -                                        | -              | September, 2014           | 0.49                   |
| Traction Charger    | July 19, 2013     | Rege Associates                            | -                                        | -              | September, 2014           | 0.06                   |
| Reach Truck         | -                 | Crown Equipment Corporation                | August 19, 2013                          | -              | September, 2014           | 3.36                   |
| Pallet Trolleys     | August 20, 2013   | Jaldoot Materials Handling Private Limited | -                                        | -              | August, 2014              | 0.12                   |
| Pest O Flash        | -                 | Pest Control (India) Private Limited       | June 2, 2014                             | -              | September, 2014           | 0.04                   |
| <b>Sub-total</b>    |                   |                                            |                                          |                |                           | <b>7.78</b>            |
| Contingency         |                   |                                            |                                          |                |                           | 0.78                   |
| <b>Total</b>        |                   |                                            |                                          |                |                           | <b>8.56</b>            |

## H. Surat - Ambient

The following table sets out the break-up of the costs in setting up an ambient warehouse at Surat based on quotations received from suppliers, work / purchase orders placed and management estimates.

| Sl. No. | Particulars | Total Estimated Cost (in ₹ millions) | Amount paid as of July 31, 2014 (in ₹ millions) |
|---------|-------------|--------------------------------------|-------------------------------------------------|
|---------|-------------|--------------------------------------|-------------------------------------------------|

|              |                                   |              |              |
|--------------|-----------------------------------|--------------|--------------|
| I.           | Civil, electrical and other works | 20.77        | 15.47        |
| II.          | Plant and machinery               | 10.23        | -            |
| <b>Total</b> |                                   | <b>31.00</b> | <b>15.47</b> |

#### **I. Civil, electrical and other works**

The following table sets out the details of the civil, electrical and other works and the estimated cost breakup:

| Category                      | Date of Quotation                    | Vendor                                                                     | Date of Work / Purchase Order, if placed | Amount (in ₹ millions) |
|-------------------------------|--------------------------------------|----------------------------------------------------------------------------|------------------------------------------|------------------------|
| Civil (including consultancy) | August 21, 2013 by P. S. Subramanian | United Constructions for civil works and P. S. Subramanian for consultancy | November 26, 2013 for civil works        | 17.05                  |
| Electrical                    | August 27, 2013                      | Perfect Engineers                                                          | -                                        | 0.35                   |
| General Lighting              | -                                    | Sanchana Guru Distributors                                                 | April 2, 2014                            | 0.10                   |
| <b>Sub-total</b>              |                                      |                                                                            |                                          | <b>17.50</b>           |
| Contingency                   |                                      |                                                                            |                                          | 3.27                   |
| <b>Total</b>                  |                                      |                                                                            |                                          | <b>20.77</b>           |

#### **II. Plant and Machinery**

The following table sets out the details of the plant and machinery and the estimated cost breakup:

| Category            | Date of Quotation | Vendor                                     | Date of Work / Purchase Order, if placed | Date supply of | Expected date of supply | Amount (in ₹ millions) |
|---------------------|-------------------|--------------------------------------------|------------------------------------------|----------------|-------------------------|------------------------|
| Doors and Docks     | August 21, 2013   | Metaflex Doors India Private Limited       | -                                        | -              | September, 2014         | 0.52                   |
| Storage and Racking | August 20, 2013   | TMTE Metal Tech Private Limited            | -                                        | -              | September, 2014         | 4.72                   |
| Traction Battery    | July 18, 2013     | Aegan Batteries Limited                    | -                                        | -              | September, 2014         | 0.49                   |
| Traction Charger    | July 19, 2013     | Rege Associates                            | -                                        | -              | September, 2014         | 0.06                   |
| Reach Truck         | -                 | Crown Equipment Corporation                | August 19, 2013                          | -              | September, 2014         | 3.36                   |
| Pallet Trolleys     | August 20, 2013   | Jaldoot Materials Handling Private Limited | -                                        | -              | September, 2014         | 0.12                   |
| Pest O Flash        | August 20, 2013   | Pest Control (India) Private Limited       | -                                        | -              | September, 2014         | 0.03                   |
| <b>Sub-total</b>    |                   |                                            |                                          |                |                         | <b>9.30</b>            |
| Contingency         |                   |                                            |                                          |                |                         | 0.93                   |
| <b>Total</b>        |                   |                                            |                                          |                |                         | <b>10.23</b>           |

Details of the plant and machinery for which quotations have been received but orders are yet to be placed as on July 31, 2014 are as under:

| Particulars                                                          | Total Amount (in ₹ million) | % of Total Project Cost |
|----------------------------------------------------------------------|-----------------------------|-------------------------|
| Total plant and machinery for which work orders are yet to be placed | 117.34                      | 18.44                   |
| Total plant and machinery cost (including contingency)               | <b>636.33</b>               |                         |

We do not intend to utilize the Net Proceeds of the Issue to procure any second hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom we have obtained quotations/ machinery.

None of the parties from whom quotations have been received or with whom work orders have been placed by our Company are any way connected to the promoter or promoter group or are related parties.

Our Company is not dependent on any of its suppliers for setting up the proposed warehouses.

### Agreements in relation to land

Set out below are the details of the agreements / memorandum of understanding in relation to the land on which the warehouses are proposed to be set up.

| Sr<br>·<br>N<br>o.                       | Location                                   | Nature     | Date of Agreement | Term                                 | Name of lessor                                                | Address                                                                        |
|------------------------------------------|--------------------------------------------|------------|-------------------|--------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>Temperature controlled warehouses</b> |                                            |            |                   |                                      |                                                               |                                                                                |
| 1.                                       | Mumbai – I, Taloja (Near Mumbai) (M-32)    | Lease deed | July 19, 2013     | November 1, 2013 to October 31, 2023 | M/s.Urban Agro Foods Private Limited                          | 40k Cavel x Lane No:7, Kalbadevi Road, Gaiwadi, Mumbai – 400 002               |
| 2.                                       | Cuttack (near Bhubaneswar)                 | Lease deed | April 18, 2013    | April 10, 2013 to April 9, 2033      | Ms.Sabita Biswal and Mr. Bhagaban Biswal                      | Plot No:1361, Mahandi Vihar, Ponayabazar, Ps-Chauliaganj, Cuttack, Odisha      |
| 3.                                       | Pune                                       | Lease deed | August 16, 2013   | August 16, 2013 to August 15, 2033   | M/s.Lakshya Enterprises                                       | Pirangut (Gole Ali), Mulshi Taluka, Pune                                       |
| 4.                                       | Chennai–I, Mevalurkuppam, (near Chennai)   | Lease deed | August 16, 2013   | August 16, 2013 to August 15, 2033   | Mr. S. Suyamprakas am, Ms. S. Malathi and Mr. S. Sadhanandham | Ah-142, 3 <sup>rd</sup> Street, Anna Nagar, Chennai – 600 040                  |
| 5.                                       | Chennai– II, Mevalurkuppam, (near Chennai) | Lease deed | March 12, 2014    | March 11, 2034                       | Mr. N. Gopal                                                  | Mevalurkuppam (A) Village, Sriperumbudur Taluk, Kancheepuram District, Chennai |
| 6.                                       | Visakhapatnam                              | Lease deed | August 20, 2013   | August 22, 2013 to July 22, 2032     | Mr. V. Veerabhadra Rao                                        | Flat No.1A, Rohan Residency, Plot No:65, Vasavi                                |

| Sr. No.                   | Location        | Nature     | Date of Agreement | Term                                 | Name of lessor          | Address                                                                 |
|---------------------------|-----------------|------------|-------------------|--------------------------------------|-------------------------|-------------------------------------------------------------------------|
|                           |                 |            |                   |                                      |                         | Nagar, Main Road, Near Fun Times, Vijayawada – 520 008                  |
| <b>Ambient warehouses</b> |                 |            |                   |                                      |                         |                                                                         |
| 7.                        | Pune (Ambient)  | Lease deed | August 16, 2013   | August 16, 2013 to August 15, 2033   | M/s.Lakshya Enterprises | Pirangut (Gole Ali), Mulshi Taluka, Pune                                |
| 8.                        | Surat (Ambient) | Lease deed | January 11, 2013  | January 1, 2013 to December 31, 2032 | M/s. Sai Enterprise     | A-4, Sai Enclave, SVR Engineering College, Udhana Magadalla Road, Surat |

None of the lessors with whom we have entered into agreements / memorandum of understanding in relation to the land on which the warehouses are proposed to be set up are related parties.

## Means of Finance

The means of finance for the Capital Expenditure for setting up new temperature controlled and ambient warehouses as per management estimates are set forth below:

| Sr. No.      | Particulars               | Amount (in ₹ million) |
|--------------|---------------------------|-----------------------|
| 1.           | Net Proceeds of the Issue | 1,282.81*             |
| 2.           | Own Funds                 | 120.65                |
| <b>Total</b> |                           | <b>1,403.46</b>       |

\*Our Company has availed of a bridge loan facility from Yes Bank Limited pursuant to the Bridge loan based on the sanction letter dated December 23, 2013 (Bridge Loan). As of July 31, 2014, our Company has utilised a sum of ₹756.59 million from the said Bridge Loan. To the extent that our Company deploys the funds from the Bridge Loan towards the objects of the issue, such funds will be repaid out of the Net Proceeds. For further details in respect of the bridge loan availed by our Company, please see the chapter entitled 'Financial Indebtedness' on page 241 of this Prospectus.

## 2. Long term working capital

Our business requires working capital and we fund majority of our working capital requirements in the ordinary course of our business from our own funds.

Our business model does not require us to maintain any inventory and, hence, our current assets primarily constitute sundry debtors. Similarly, since we do not maintain any inventory the current liabilities constitute only operational expenses payable.

As of March 31, 2014, our working capital facility consisted of an aggregate fund based limit of ₹ 30 million and an aggregate non-fund based limit of ₹50 million.

*Basis of estimation of working capital requirement and estimated working capital requirement*  
(in ₹ millions, except data in respect of days)

| Particulars           | Fiscal 2015      | No. of Days | Fiscal 2014    | No. of Days | Fiscal 2013    | No. of Days |
|-----------------------|------------------|-------------|----------------|-------------|----------------|-------------|
|                       | <b>Estimated</b> |             | <b>Actuals</b> |             | <b>Actuals</b> |             |
| <b>Current Assets</b> |                  |             |                |             |                |             |

| Particulars                               | Fiscal 2015   | No. of Days | Fiscal 2014   | No. of Days | Fiscal 2013   | No. of Days |
|-------------------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|
|                                           | Estimated     |             | Actuals       |             | Actuals       |             |
| Trade Receivables                         | 605.22        | 81          | 394.77        | 81          | 267.69        | 70          |
| <b>Total Current Assets</b>               | <b>605.22</b> |             | <b>394.77</b> |             | <b>267.69</b> |             |
| <b>Current Liabilities</b>                |               |             |               |             |               |             |
| Trade payables                            | 91.52         | 15          | 45.35         | 15          | 53.31         | 22          |
| <b>Total Current Liabilities</b>          | <b>91.52</b>  |             | <b>45.35</b>  |             | <b>53.31</b>  |             |
| <b>Total Working Capital Requirements</b> | <b>513.70</b> |             | <b>349.42</b> |             | <b>214.38</b> |             |
| Increase / (Decrease) in Working Capital  | 164.28        |             | 135.04        |             | 117.71        |             |
| Working Capital facilities available      | 27.50         |             | 2.50          |             | -             |             |
| Own Funds*                                | 52.61         |             | 132.54        |             | 117.71        |             |
| Net Proceeds of the Issue                 | 84.17         |             | -             |             | -             |             |

\* According to the audited financial statements of our Company, the internal accruals for the year ended March 31, 2013 and Fiscal 2014 were ₹139,640,209 and ₹146,645,070, respectively.

#### Assumptions

##### Trade receivables

Our pallet storage capacity has increased significantly in the recent past. The increase in storage capacity coupled with the highly competitive environment in which our Company operates has necessitated extending increased periods of credit to some of our larger customers. The credit period in sales days has increased from around 70 days to around 81 days, which, we believe, will remain largely unchanged during the current year as well as for the foreseeable future.

##### Trade payables

Our operational expenses are primarily warehouse and vehicles rentals, vehicles running expenses and electricity charges where the payments are generally due within a month. In addition, vehicle fuel expenses which constitute a significant part of our expenses have increased and are payable immediately. Our trade payable days have decreased from 22 days to 15 days. The nature of these expenses is such that it is expected to remain largely unchanged in the foreseeable future. Hence, we have retained trade payable days at the Fiscal 2014 levels i.e. 15 days.

#### Means of Finance

Based on the assumptions and projections set out above, we estimate an incremental working capital requirement of approximately ₹164.28 million during Fiscal 2015.

| Sr. No.      | Particulars                          | Amount (in ₹ million) |
|--------------|--------------------------------------|-----------------------|
| 1.           | Net Proceeds of the Issue            | 84.17                 |
| 2.           | Working Capital facilities available | 27.50                 |
| 3.           | Own Funds                            | 52.61                 |
| <b>Total</b> |                                      | <b>164.28</b>         |

### 3. General Corporate Purposes

We, in accordance with the policies set up by our Board, will have flexibility in applying ₹ 449.27 million of the

Net Proceeds of the Issue for general corporate purposes, including (i) releasing appropriate security deposits for setting land lease; (ii) repayment of loans (iii) brand building and other marketing efforts; (iv) acquiring fixed assets including land, building, furniture and fixtures; (v) meeting any expense of our Company, including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties; (vi) meeting expenses incurred in the ordinary course of business; and (vii) such other requirement of our Company, as may be approved by our Board.

### Issue Expenses

The Issue related expenses consist of underwriting fees, selling commission, fees payable to BRLM, legal counsels, Bankers to the Issue including processing fee to the SCSBs for processing ASBA Bid cum Application Forms procured by the Syndicate Member and submitted to the SCSBs, Escrow Bankers and Registrars to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. Our Company intends to use approximately ₹ 157.75 million towards these expenses for the Issue. The break-up for the Issue expenses is as follows:

| Activity                                                                                        | Expense<br>(in ₹ million) | Expense<br>(% of total expenses) | Expense<br>(% of the Issue size) |
|-------------------------------------------------------------------------------------------------|---------------------------|----------------------------------|----------------------------------|
| BRLM Fees, Underwriting commission, brokerage and selling commission <sup>#</sup>               | 72.15                     | 45.74                            | 3.65                             |
| Fees of Registrar to the Issue                                                                  | 1.00                      | 0.63                             | 0.05                             |
| Advisors' Fees                                                                                  | 9.35                      | 5.93                             | 0.47                             |
| Fees of the IPO Grading Agency                                                                  | 0.60                      | 0.38                             | 0.03                             |
| Printing and distribution expenses                                                              | 17.48                     | 11.08                            | 0.89                             |
| Advertising and marketing expenses                                                              | 46.99                     | 29.79                            | 2.38                             |
| Others (including SEBI filing fee, fees to the Registrar of Companies and Stock Exchanges' fee) | 10.18                     | 6.45                             | 0.52                             |
| <b>Total estimated Issue expenses</b>                                                           | <b>157.75</b>             | <b>100.00</b>                    | <b>7.98</b>                      |

<sup>#</sup>Including commission to the SCSBs for ASBA applications and processing fees of ₹ 15 to SCSBs for processing the Bid cum Application Forms procured by the Syndicate from ASBA Bidders in the Specified Cities and submitted to the SCSBs.

### Project appraisal

None of the Objects of the Issue have been appraised by any bank or financial institution.

### Interim use of funds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to deposit the funds with scheduled commercial banks. Our Company confirms that it shall not use the Net Proceeds for any investment in the equity markets.

### Bridge Financing Facilities

Our Company has availed of a bridge loan facility from Yes Bank Limited pursuant to a loan agreement dated December 27, 2013. As of July 31, 2014, our Company has utilised a sum of ₹756.59 million from the said Bridge Loan. To the extent that our Company deploys the funds from the Bridge Loan towards the objects of the issue, such funds will be repaid out of the Net Proceeds.

### Monitoring of Utilisation of Funds

Under the Regulation 16 of the SEBI ICDR Regulations, an issuer is required to appoint a monitoring agency if the issue size exceeds ₹5,000 million. Since the Issue will be for less than ₹5,000 million we are not required to appoint a monitoring agency. However, the Audit Committee of our Company will monitor the utilization of the Issue Proceeds, as per the Clause 49 of the Equity Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the Corporate Governance requirements.

### **Variation in Objects**

In accordance with section 27 of the Companies Act, 2013, read with Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the registered office of our Company is situated. The shareholders who do not agree to the above stated proposal, our Promoters have undertaken to provide an exit opportunity to such shareholders, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

Our Company will not pay any part of the Net Proceeds of the Issue as consideration to our Promoter, Directors, key managerial personnel and Group Companies of our Promoter.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares through the Book Building Process is justified based on the below accounting ratios. See also the section entitled '*Risk Factors*' on page 15 of this Prospectus and the Restated Financial Information as set out in the section entitled '*Financial Statements*' beginning on page 180 of this Prospectus to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in the section entitled '*Risk Factors*' and you may lose all or part of your investment. The face value of the Equity Shares is ₹10 and the Issue Price is 4.7 times the face value.

### Qualitative Factors

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, please see the chapter entitled '*Our Business*' and the section entitled '*Risk Factors*' on pages 115 and 15, respectively of this Prospectus.

### Quantitative Factors

Information presented in this section is derived from the restated financial information prepared in accordance with the Companies Act and SEBI ICDR Regulations.

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

#### 1. *Basic and Diluted Earnings per Share (EPS)*

As per our Company's restated financial information:

| Year Ended March 31     | Basic and Diluted EPS (In ₹) | Weight |
|-------------------------|------------------------------|--------|
| 2014                    | 1.96                         | 3      |
| 2013                    | 1.93                         | 2      |
| 2012                    | 0.48                         | 1      |
| <b>Weighted Average</b> | <b>1.70</b>                  |        |

Note:

- The earning per share has been calculated on the basis of the restated profits and losses of the respective years.
- The denominator considered for the purpose of calculating the earnings per share is the weighted average number of Equity Shares outstanding during the year.
- The earning per share calculations have been done in accordance with Accounting Standard 20 – "Earning per share" notified by the Companies (Accounting Standards) Rules, 2006, as amended.

#### 2. *Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 47 per share*

The Price/Earning (P/E) ratio, on the basis of an Issue Price of ₹ 47 per share is as set forth below:

- As per our Company's restated financial information

| Sr. No. | Particulars                                                                                   |       |
|---------|-----------------------------------------------------------------------------------------------|-------|
| 1       | P/E ratio based on basic and diluted EPS for the year ended March 31, 2014 at the Floor Price | 22.45 |
| 2       | P/E ratio based on basic EPS for the year ended March 31, 2014 at the Cap Price               | 23.98 |
| 3       | P/E ratio based on basic and diluted EPS for the year ended March 31, 2013 at the Floor Price | 22.80 |
| 4       | P/E ratio based on basic EPS for the year ended March 31, 2013 at the Cap Price               | 24.35 |

b) **Peer Group P/E**

As there are no listed companies in India that are directly comparable to the business carried on by our Company, no comparison with industry peers is being offered.

3. **Return on Net Worth (RoNW)**

Return on net worth as per our Company's restated financial information:

| Year ended March 31     | RoNW (%)     | Weight |
|-------------------------|--------------|--------|
| 2014                    | 10.50        | 3      |
| 2013                    | 15.48        | 2      |
| 2012                    | 4.53         | 1      |
| <b>Weighted Average</b> | <b>11.17</b> |        |

Note: RoNW has been computed as Net Profit after tax (as restated) divided by Net Worth at the end of the year.

4. **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014**

With respect to Basic and Diluted EPS

| Sr. No. | Particulars                         | Basic and Diluted |
|---------|-------------------------------------|-------------------|
| a.      | At the lower end of the Price Band  | 8.03%             |
| b.      | At the higher end of the Price Band | 7.79%             |
| c.      | At the Issue Price                  | 7.79%             |

5. **Net Asset Value per Equity Share (NAV)**

| Sr. No | Particulars                       | In ₹  |
|--------|-----------------------------------|-------|
| A.     | For the year ended March 31, 2014 | 17.83 |
| B.     | Issue Price                       | 47*   |
| C.     | After the Issue                   | 25.16 |

\*Issue Price per Share has been determined on conclusion of the Book Building Process.

Note: Net asset value per Equity Share represents the net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.

6. **Comparison with Listed Industry Peers**

There are no listed companies in India that engage in a business similar to that of our Company. Hence, it is not possible to provide an industry comparison in relation to our Company.

7. The face value of Equity Shares is ₹10 each and the Issue price is 4.7 times of the face value of the Equity Shares.

The Issue Price of ₹47 has been determined by our Company consultation with the Book Running Lead Manager on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company and the Book Running Lead Manager believe that the Issue Price of ₹47 is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the chapters titled 'Risk Factors', 'Our Business' and 'Financial Statements of our Company' beginning on pages 15, 115 and 180 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in 'Risk Factors' and you may lose all or part of your investments.

## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to our company

To  
The Board of Directors  
Snowman Logistics Limited  
Bangalore

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Snowman Logistics Limited (“the Company”) in connection with the initial public offering by the Company**

I hereby confirm that the enclosed annexure, prepared by Snowman Logistics Limited (‘the Company’) states the possible special tax benefits available to the Company under the Income – tax Act, 1961 (‘Act’) presently in force in India. These benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. I am informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice.

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

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

- (i) the Company will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits, where applicable have been/would be met.
- (iii) the tax benefits available to shareholders have been evaluated based on the present rules and regulations existing.

**V. Kiranmayi**  
Chartered Accountant  
Membership No.: 208178  
Place: Bangalore  
Date: 06-08-2014

## **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SNOWMAN LOGISTICS LIMITED**

Outlined below are the possible special benefits available to the Company under the current direct tax laws in India for the Financial Year 2013-14

### **A. Special Tax benefits available to the Company**

Subject to the fulfilment of conditions, the company is entitled to claim deduction under Sec 35AD. The amount of deduction is 150% (100% up to AY 2012-13) of capital expenditure other than investment in land incurred wholly and exclusively for the purpose of specified business carried on by an assessee in the year in which the expenditure is incurred.

The Company is eligible for deduction under this section since it is in the business of setting up and operating cold chain facilities. It is eligible for deduction under this section for its new cold storage units set up after the date from which this deduction is applicable.

### **B. Special Tax benefits available to the shareholders**

There are no special tax benefits available to the shareholders of the company as per the Income Tax Act, 1961.

## SECTION IV: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise stated, the information in this section is derived from “The Temperature Controlled Logistics Industry in India - Ernst & Young LLP”. In addition, we have relied on websites and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we, nor any other person connected with the Issue, has independently verified the information provided in this chapter. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on this information.*

#### Indian Economy

India, one of the most populous countries in the world with an estimated population of 1.2 billion; i.e. approximately 17% of the total global population, is also one of the largest economies on a purchasing power parity basis with a GDP of approximately USD 1.9 trillion.

In 1991, the Government of India, with a view to promote economic stability and growth, adopted a series of comprehensive macroeconomic and structural reforms focused on deregulation of industry, accelerating foreign investment and implementing a privatization program for disinvestment in public sector units. Consequent to the reforms, India's economy registered robust growth over the last decade. The following table illustrates India's real GDP growth between Fiscals 2009 and 2013 (at factor cost at constant 2004-05 prices):

| Fiscal 2009 | Fiscal 2010 | Fiscal 2011 | Fiscal 2012 | Fiscal 2013 |
|-------------|-------------|-------------|-------------|-------------|
| 6.72%       | 8.59%       | 9.32%       | 6.21%       | 4.96%       |

Source: <http://mospi.nic.in> “Summary of macroeconomic aggregates at constant (2004-05) prices, 1950-51 to 2012-13”

The Indian GDP is expected to grow at around 6% in Fiscal 2015, compared to a growth of 4.8% in Fiscal 2014.

India is expected to become the world's fifth largest consumer market by 2025 from its twelfth position in 2010. The key drivers for the growth in consumption are expected to be:

- *Higher affordability:* The rapid growth in the size of India's middle income and high income group is expected to result in doubling of the Indian household consumption by 2015.
- *Greater consumer acceptance:* Greater consumer acceptance of newer products driven by factors such as a younger population, faster urbanization, increase in the number of working women and lifestyle changes, along with other socio-economic factors is expected to result in a transition of the consumption pattern of the Indian consumer. Further, the growing international exposure among Indians has led to awareness of international cuisines resulting in increased acceptance and demand for such products.
- *Greater availability:* Deeper penetration, particularly of FMCG products, spurred by better distribution channels, coupled with spread of organized retail has increased availability manifold.
- *Greater awareness:* Greater media reach and penetration has, amongst others, resulted in a more aware and discerning consumer. Pertinently, this phenomenon is also no longer restricted to urban areas.

#### Temperature Controlled Logistics Industry

Temperature Controlled Logistics (TCL) refers to the series of links in the logistics chain of perishable products. TCL is responsible for preserving the quality to enable their availability during an off-season or making them available at locations far from the production/ processing locations. TCL comprises:

- *Warehousing:* Warehousing temperature sensitive products in custom built temperature controlled warehouses. The temperature controlled warehouse generally consists of several temperature zones capable of warehousing goods in the range of -25°C to +20°C.

- *Distribution*: Distribution entails primary and secondary transportation of temperature sensitive products from source to stores using temperature controlled containerized trucks and cargo trains. Certain containerized trucks are also modified to enable installation of temperature controlled zones.

Businesses which utilize cold chains in India include dairy, poultry and meat, seafood, ready-to-eat, chocolates, healthcare and pharmaceuticals, industrial products and fruit and vegetables.

India's temperature controlled logistics industry is estimated at ₹120,000 – ₹150,000 million and is poised to grow at 15% to 20%, year on year, for the next 3 to 5 years. The growth is expected to be driven *inter alia* by:

- An increase in the consumption of temperature sensitive perishables;
- Greater use of temperature controlled logistics in categories such as pharmaceuticals and fruits and vegetables; and
- An increase in the consumption of a gamut of niche and high end products that need to be maintained in temperature controlled environment.

Changing lifestyles and resultant consumer preferences for processed foods, off-season and exotic / high end fruits and vegetables and increased incidence of eating out (at quick service or other restaurants) is expected to drive the use of temperature controlled logistics. The spurt in growth is also expected to be fuelled by demand from Tier 2 and Tier 3 cities, in addition to the Tier I cities.

#### **Current state of the Indian TCL industry**

India falls under the category of low cold chain adoption countries i.e. countries with less than 10% of produce passing through a cold chain, reflecting a significant potential for growth.

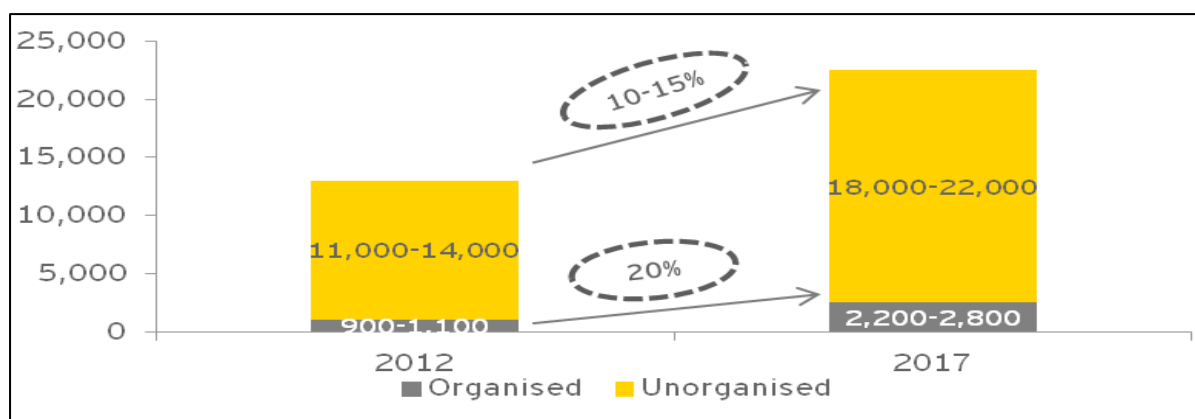
Further, TCL providers in India are largely fragmented and generally focus on a single region or one aspect of the logistics chain such as storage or transportation. Consequently, there are very few integrated temperature controlled logistics service providers, and in particular, integrated service providers with the ability to service customers on a pan-India basis.

It is generally estimated that the current share of organized players is only around 6%-7% in the temperature controlled warehousing segment and 15-20% in the temperature controlled transportation; consequently, the potential for growth in organized services is immense. As against an overall market growth of around 15%, organized outsourced temperature controlled services are expected to grow at around 20% p.a.

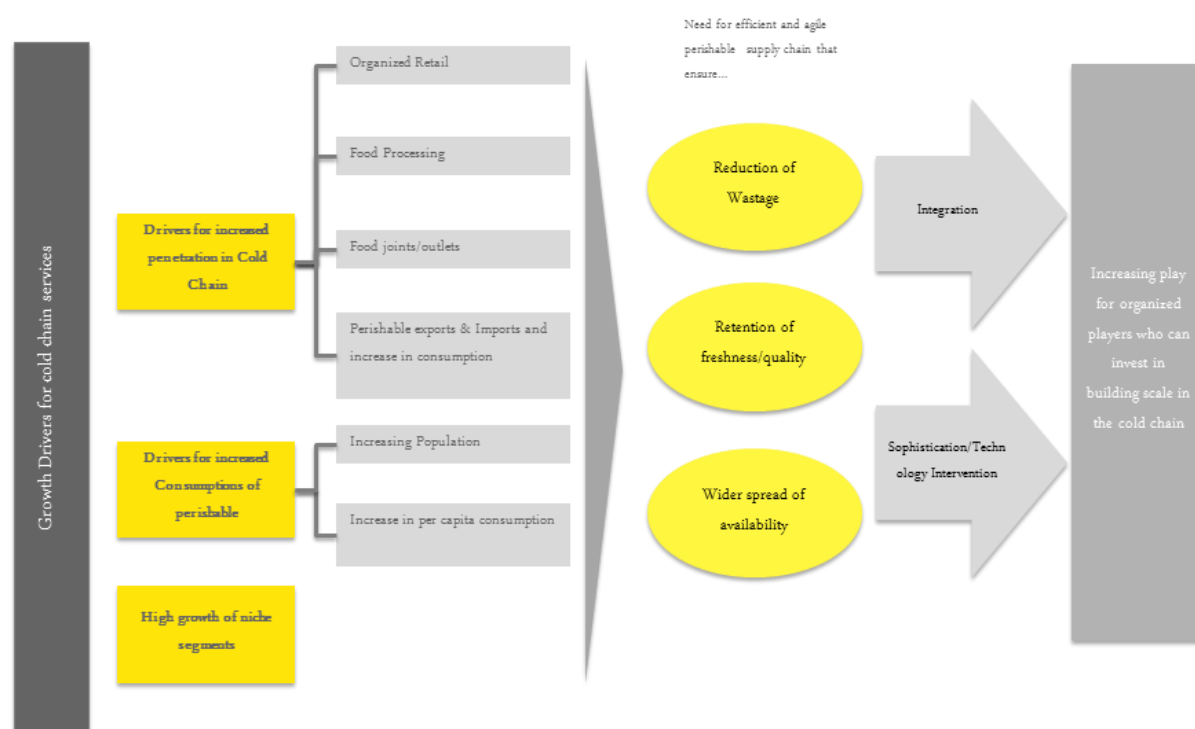
In terms of volume, the existing capacity is estimated to be around 30 million MT of temperature controlled warehousing and around 7,000-8,000 Reefer Vehicles.

Of the existing cold warehousing capacity, 75% is dedicated to potatoes while 23% is classified as 'Multipurpose' i.e. catering to multiple commodities across dairy products, frozen foods, fruits and vegetables and the balance 2% is used across meat and seafood.

The following graph represents the potential growth for the organised and unorganised market:



The following schematic reflects the growth drivers in the TCL industry:

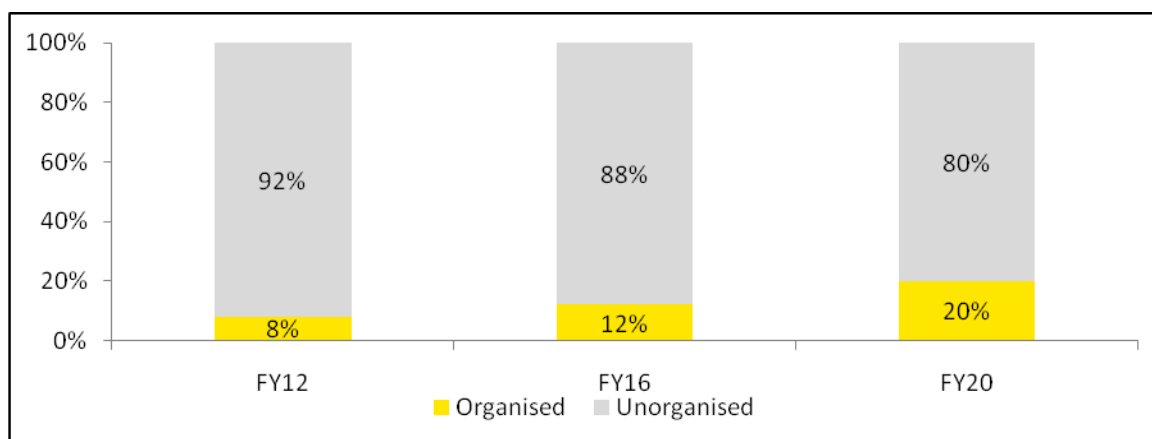


### 1) Greater penetration of organized retail

The Indian retail industry, estimated at USD 520 billion, has grown at 10.6% between 2010 and 2012 and is expected to increase to USD 750-850 billion by 2015. 'Food and Grocery' is the largest category within the retail sector constituting approximately 60% of the retail industry.

Of the total Indian retail market, organised retail constituting 8% is expected to grow at 30%, as against the overall market growth, which is forecasted at 16-18%. Further, the penetration of the organised retail segment in India is low as compared to other emerging economies such as China, which has penetration of over 20%.

The following graph represents the organised and unorganised retail share for the periods indicated therein (FY16 and FY20 (E)):



Source: India Retail Report 2013, Images Group

Within organized retail, the food segment is expected to grow at a rate of 14-15% which, consequently, is expected to fuel the demand for TCL services.

## 2) Shift in consumer preference for processed foods

While India is the second largest producer of food, food processing is still at a very nascent stage with less than 10% of the total quantity being processed.

The food processing industry is one of the largest in India, ranking fifth in terms of production, growth, consumption, and export. According to the Indian Council of Agricultural Research, the total value of the Indian food processing industry is expected to grow to USD 194 billion by 2015 from USD 121 billion in 2012.

Further, the food processing industries in India attracted FDI worth USD 1.81 billion from April 2000 to March 2013.

Food processing ranges between 7% to 18% across the perishable commodities with meat and poultry having the highest share.

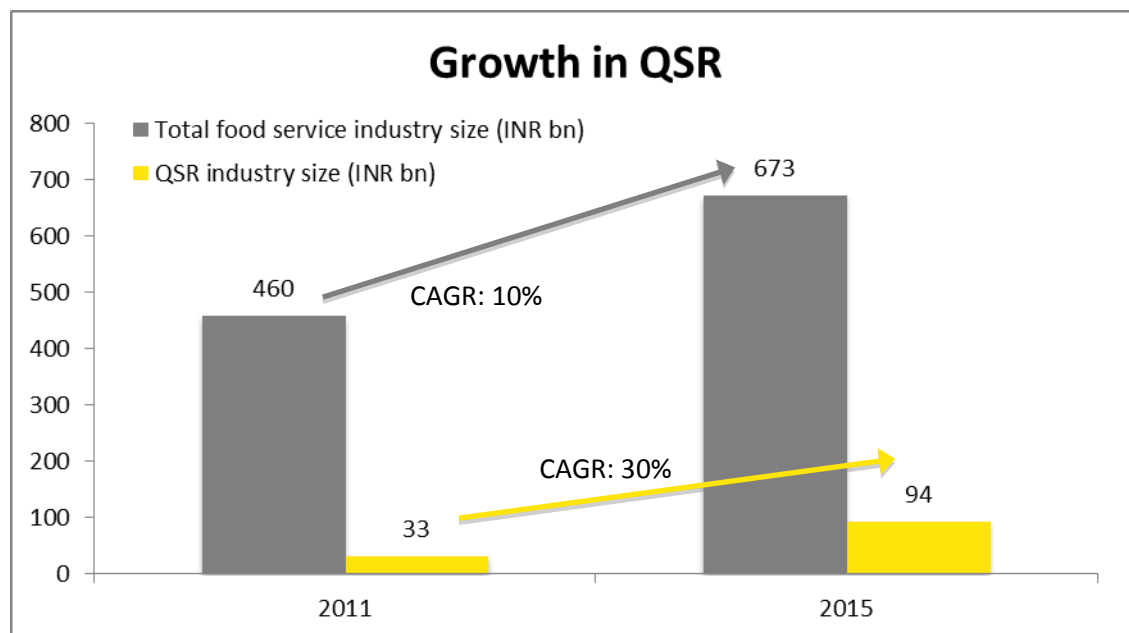
| Segment               | Size                | Key products                                       | Projected growth | % processed                            |
|-----------------------|---------------------|----------------------------------------------------|------------------|----------------------------------------|
| Dairy products        | 121 MT              | Value added milk, butter, ghee and cheese          | 8%               | 70%<br>(Overall)<br>20%<br>(organized) |
| Fruits and vegetables | 233 MMT             | Raw F&V, Fruit pulps, canned fruits and pickles    | 7%               | 2-4%                                   |
| Meat & poultry        | Approximately 11 MT | Cattle, Buffalo & Poultry                          | 18%              | 32%                                    |
| Seafood               | 8.4 MT              | Seafood, frozen products & minced seafood products | 7%               | 16%                                    |
| Packaged products     | ₹80,000 million     | RTE and RTC                                        | 8%               | 100%                                   |

Source: Food Industry of India Report, MOFPI, FICCI

With changing lifestyles and the emergence of nuclear families, India is witnessing a shift towards consumption of processed tertiary foods. These include yogurts, ready to cook and ready to eat food items, processed meat, seafood and poultry as well as confectionary, all of which require cold chain.

### 3) Growth in food services / Quick Service Restaurants (QSRs):

As food consumption habits in India are changing, QSRs and restaurants are expected to witness double-digit growth in the medium to long term. A younger population, higher rate of urbanization, rising disposable incomes, increased participation of women in the workforce and exposure to western lifestyles are leading to the experimentation with, and adoption of, new dietary habits. Indian food service sector is estimated to be INR 460 billion (USD 8.6 billion) in 2011 and is expected to grow at a compound annual growth rate of 10% until 2015. The QSR segment is expected to grow at a CAGR of 30% during the same period as indicated below:



According to the National Restaurant Association of India, 50% of consumers eat out at least once every three months, and this shift is epitomized by the growing presence of QSR and restaurants. It is estimated that in India, the expenditure on eating-out has more than doubled in the past decade, to about USD 5 billion a year and is expected to double again in around half that time.

A pre-requisite for providing standard product quality across stores is an efficient supply chain, but the rampant fragmentation of supply, limited modern warehousing and transportation infrastructure are significant hurdles, which is more pronounced in the case of perishable products.

Further, most fast food chains and QSRs operate with a central kitchen which prepares and semi cooks the dishes, which are then frozen and transported to smaller retail outlets where they are served to customers. This is expected to result in increased demand for cold chain operators particularly in Tier 2 and Tier 3 cities. The rapid expansion of food chains would lead to increasing demand for quality agricultural produce thereby necessitating cold chain infrastructure.

### 4) Emergence of high growth niche segments that require the cold chain

Other commodities that require a cold chain for preservation and transport include pharmaceuticals, reagents, aviation spare parts, certain chemicals and industrial products and luxury goods, flowers and spices which are also witnessing very healthy growth.

Enhanced standard of living and a focus on health has led to the emergence of the pharmaceutical industry as a leading niche segment in the cold chain. The pharmaceutical industry is growing at 23% (year on year) with vaccines being a key segment requiring TCL.

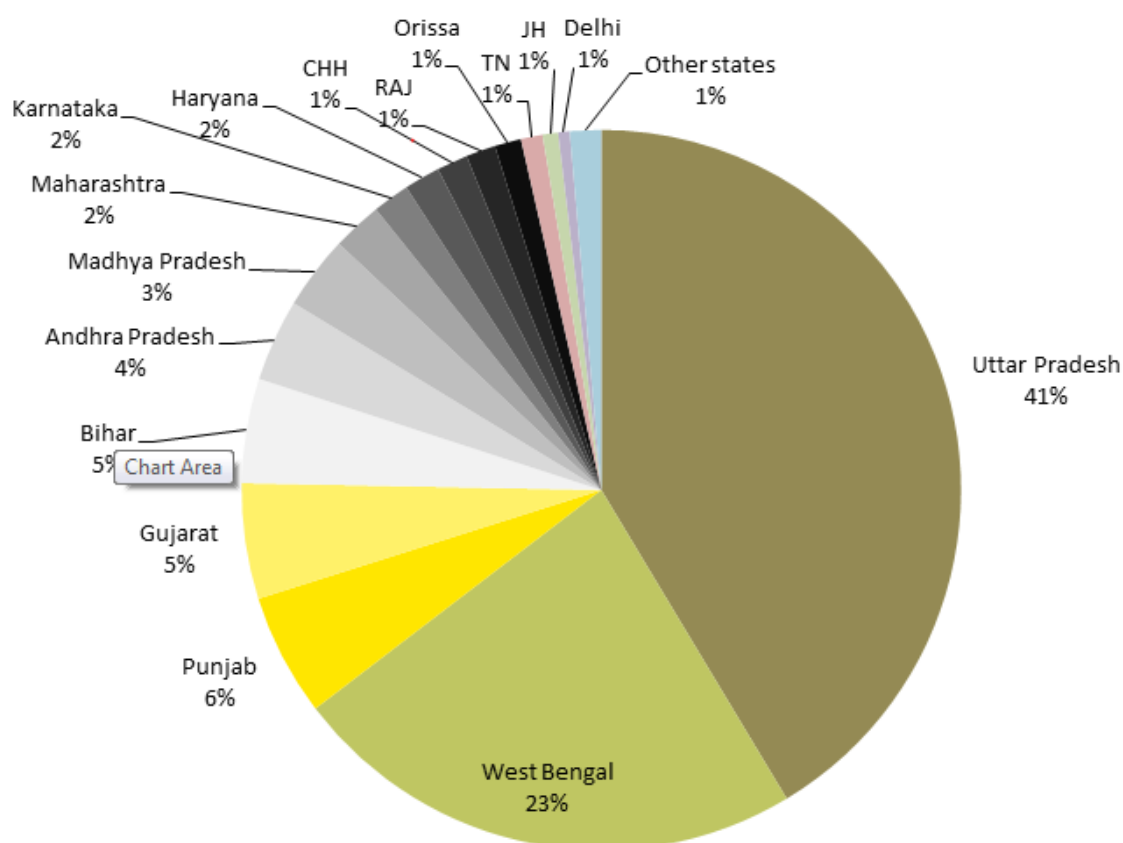
In pharmaceuticals, a large part of the biopharma segment (particularly vaccines) need to be maintained at lower temperatures, thus making the cold chains indispensable. In addition, greater regulatory focus is expected to result in a rise in demand for temperature controlled warehousing and transportation of high value formulations as well.

#### 5) Uneven distribution of capacity

In India, over 64% of the cold storages are currently located in two states of UP and West Bengal followed by Punjab, Gujarat and Bihar.

This highly skewed distribution of capacity provides significant opportunity for establishing operations in diverse parts of the country which have seen less investment in cold chain infrastructure. In addition, around 50% of the cold storages are located in the northern part of India and a large majority of the capacity is utilised towards storing potatoes. Consequently, the existing capacity is not utilised optimally for other products.

The schematic representation below sets out the skewed nature of capacity distribution in India.



Source: National Horticulture Board

#### Prominent characteristics of the TCL industry

*High capital and operating expenditure:* Maintaining the required controlled conditions in terms of temperature, humidity, air flow etc. necessitates investment in appropriate refrigeration and insulation equipment which makes the cold chain business capital intensive. Continuous operation of the cold store / refrigeration unit to avoid thermal shock also leads to high power consumption making profitability sensitive to power costs.

*Seasonality of Demand:* especially in the case of fruit and vegetables makes the cold chain business susceptible to seasonal variations. However, catering to commodities with complementary seasonality helps to avoid fluctuation in utilizations.

*Technical nature:* Provision of quality and reliable cold chain services necessarily requires an understanding of the specific requirements of perishables; for instance, apart from the temperature and humidity requirements of specific fruits, one needs to be aware of the ‘breathing’ (Air flow) requirement, moisture retention etc. Lack of this knowledge can lead to multiple issues that reduce or eliminate the value of a product.

The key trends shaping the industry include:

- Deeper penetration of high technology controlled atmosphere warehousing that enables significant increase in extendibility of the life of fruits;
- Increasing involvement of cold chain service providers in trading of fruits and vegetables to tie-up capacity utilization; and
- The industry enjoys increasing support from the government in the form of multiple policies and incentives to ensure development of requisite infrastructure to avoid waste and inefficiencies on account of lack of the cold chain.

### **Key challenges**

The industry faces certain constraints which not only limits its growth but also increases the wastages and harm the industries which are dependent on cold chain.

- a) *Lack of quality cold warehousing infrastructure:* 75% of the cold storage capacity in India is dedicated to potatoes and only 25% is available for fruits and vegetables, processed foods, pharmaceutical and other products.
- b) *Lack of standards and protocols construction and operation of warehousing and transportation facilities:* Technical standards and specifications followed in India are often unsuitable for Indian conditions, which results in low performance of standard refrigerated systems. For example, standardization of reefer containers is limited which results in sub-optimal utilisation of available space leading to increased costs.
- c) *Low awareness:* At present, in India, the supply chain of most products is long and fragmented. A product changes many hands, between source and the delivery point, most of whom are unskilled at handling temperature sensitive products. Hence, the quality of the products deteriorates significantly before reaching the end consumer.
- d) *High fuel costs and power outages:* Operating costs of cold storages in India are double that of those in the developed countries. Fuel expenses constitute around 30% of the operating expenses of cold storage in India, as compared to 10% in the west. Further, while cold storages are heavily dependent on a steady power supply to maintain the temperature, large parts of India face regular power cuts. This coupled with increasing diesel prices leads to high costs. Investment in backup systems, on the other hand increases capital investment costs, making it even more unviable for smaller players.
- e) *Lack of skilled personnel:* The industry lacks quality manpower across levels from drivers, warehouse supervisors / managers to middle and senior management personnel. Consequently, the customers’ supply chain is generally not understood and, therefore, innovative and transformational solutions are generally absent. The lack of skilled personnel is accentuated by dearth in vocational or other training institutes focused on cold chain logistics.
- f) *Hidden Costs:* The average toll payable per kilometre travelled is very high in India and vehicles especially those carrying reefer loads are often subject to various checks by local authorities. This hampers the delivery times of temperature sensitive cargo and impacts the operating margins of logistics service providers.

## OUR BUSINESS

### Overview

We commenced our business as a trader of frozen marine products and in Fiscal 1998, we commenced cold storage operations at 4 (four) locations. We have, since then, expanded our operations to become an integrated temperature controlled logistics service provider with an ability to service customers on a pan-India basis.

Our operations can be classified into the following business segments:

1. Temperature controlled services; and
2. Ambient distribution.

While in previous financial years we only operated in the temperature controlled services and ambient distribution business segments, we have, in Fiscal 2014, commenced ambient warehousing as well.

Our warehousing solutions cover the complete spectrum of temperature ranges from ambient to chilled and frozen (i.e. +20°C to -25°C). We offer blast freezing facilities at our temperature controlled warehouses in Bengaluru, Mevalurkuppam, (near Chennai), Visakhapatnam, Serampore (near Kolkata), Taloja (near Mumbai), Ahmedabad, Palwal (near Delhi), Mubarakpur (near Chandigarh) and Surat. Our integrated 'Source to Stores' operations comprise warehousing, primary distribution and secondary distribution and value-added services including kitting, labelling, sorting and bulk breaking.

As of March 31, 2014, our operations comprised 23 temperature controlled warehouses across 14 locations in India including Serampore (near Kolkata), Taloja (near Mumbai), Palwal (near Delhi), Mevalurkuppam, (near Chennai) and Bengaluru capable of warehousing 58,543 pallets and 3,000 ambient pallets. Further, as of Fiscal 2014, we operated 370 Reefer Vehicles consisting of 307 leased and 63 owned vehicles. As of March 31, 2014, we engaged a total workforce of 1,490 including 383 permanent employees and 1,107 on a contract labour basis.

A majority of our temperature controlled warehouses are ISO 14001 (TUV-SUD), ISO 22000 (TUV-SUD) and FSSAI certified. In addition, 4 (four) of our temperature controlled warehouses are EIA and MPEDA (Marine Products Export Development Authority) certified and 4 (four) temperature controlled warehouses are certified under the Drugs and Cosmetics Act, 1940.

Our distribution services comprise primary and secondary transportation. The primary transportation (long haul) generally facilitates inter-city transport of products. The primary transport service includes door to door service, customized Milk Runs and Part Cargo Consolidation. We also provide secondary transportation i.e. last mile distribution, supplying, amongst others, QSRs, retail outlets, restaurants and the hotels.

The product segments we cater to include:

- Dairy products including butter and cheese;
- Ice-cream;
- Poultry and meat;
- Sea food;
- Ready-to-eat / ready-to-cook food products;
- Confectioneries including chocolate and baked products;
- Fruits and vegetables;
- Healthcare and pharmaceutical products; and
- Industrial products such as x-ray, and photo-imaging, films.

GDL is our Promoter and our largest shareholder. Our other shareholders include Mitsubishi Corporation, Mitsubishi Logistics Corporation, International Finance Corporation and Norwest Venture Partners VII-A Mauritius.

Our total revenue increased from ₹1,141.03 million in Fiscal 2013 to ₹1,552.33 million in Fiscal 2014. Our net profit as restated also increased from ₹198.79 million in Fiscal 2013 to ₹232.27 million in Fiscal 2014. Our total revenue in Fiscal 2014 comprised ₹1,518.57 million and ₹15.50 million, constituting 97.83% and 1.00%, respectively, from each of temperature controlled services and ambient distribution business.

### ***Competitive Strengths***

We believe that the following are our core competitive strengths:

#### **Pan-India integrated temperature controlled logistics services**

We believe we are one of the largest integrated temperature controlled logistics service providers operating 23 temperature controlled warehouses spread across 14 locations with an ability to service customers on a pan-India basis. We have set-up our temperature controlled warehouses adjacent to cities with a large potential for sourcing and/or consumption of temperature sensitive products including the larger cities such as Mumbai, Chennai, Bengaluru and Kolkata. Our distribution network comprises primary and secondary transportation. As of March 31, 2014, we operated 226 primary transportation vehicles with an ability to cover over 242 cities and towns and 144 secondary transportation vehicles supplying, amongst others, to QSRs, retail outlets, restaurants and hotels within a city. Our integrated operations enable us to maintain the temperature integrity of the customers' products from the point of origin to the consumption point, which is critical for product quality.

#### **Domain Knowledge and technological advantage**

We believe that our experience in setting-up and operating temperature controlled warehouses across different geographic locations in India enables us to better conceptualise and execute the construction of such warehouses.

In addition, we believe that the technology used in our operations is state-of-the-art and we have customised it to suit our operational requirements based on our experience and understanding of our customers' requirements. Our warehousing infrastructure comprises advanced equipment handling and racking system. Further, we use software systems such as warehouse management systems and enterprise resource planning (**ERP**). We employ a real time data logging system that enables us to monitor temperature variations in products both in our temperature controlled warehouses and in a majority of our Reefer Vehicles. In addition, a majority of our Reefer Vehicles are equipped with GPS and GPRS technologies including a few vehicles that are equipped with advanced geo-fencing (i.e., a virtual perimeter for a real-world geographic area) capabilities. These technologies enable us to monitor the progress of our Reefer Vehicles. Further, measures such as palletisation of our storage capacity have enhanced our ability to maintain the quality of the products by stacking products in a manner which enables us to employ more efficient inventory management systems such as first-expiry-first-out (**FEFO**) and first-in-first-out (**FIFO**). We are also members of global industry associations such as Global Cold Chain Alliance (**GCCA**), International Association of Refrigerated Warehouses (**IARW**) and World Food Logistics Organisation (**WFLO**), which enable us to keep abreast with the global developments in the temperature controlled logistics industry in addition to providing us with networking opportunities.

#### **Ability to attract competing brands**

We believe that one of the key factors of success in the temperature controlled logistics business in India is brand neutrality i.e. catering to customers who compete with each other in their respective business segments. We have, over the years, warehoused and distributed various products belonging to entities that are business competitors. Illustratively, we warehouse and distribute products for 4 (four) companies engaged in the business of ice-cream. In India's extremely competitive FMCG segment, the ability to rely on the service provider is critical. The inventory and the specific products managed by us are proprietary to each customer and disclosure of these details could have a significant impact on the performance of the product.

We believe that our continuing ability to service customers who compete with each other in business segments is a testament to our brand neutrality and the confidence reposed in us.

## **Management expertise**

We believe that we have a strong management team led by persons with significant experience in the logistics industry. Our Board comprises Directors who have extensive experience in the setting up and managing companies in the logistics sector. In addition, we also have a management team of qualified professionals, who have expertise and experience in the temperature controlled logistics sector. Our management team comprises skilled and capable professionals who assist the Board in identifying new opportunities and in implementing our business strategies. For further details please see the chapter entitled '*Our Management*' on page 148 of this Prospectus.

## **Focus on quality**

Of our 23 temperature controlled warehouses 22 are ISO 22000 certified temperature controlled warehouses, 18 are ISO 14001 certified temperature controlled warehouses and 23 are FSSAI certified temperature controlled warehouses. We adhere to strict guidelines while managing our inventory. We employ a matrix which enables us to identify products that are incompatible to be stored together. Illustratively, we do not store vegetarian products with products containing meat ingredients. Further, our modern warehousing infrastructure comprises equipment handling and racking system as well as warehouse management systems and enterprise resource planning (ERP). We employ a real time data logging system that enables us to monitor temperature variations in products constantly irrespective of whether the product is in our temperature controlled warehouse or in our Reefer Vehicles. This ensures that we can address any concerns immediately thereby ensuring that the quality of the product is not compromised.

## **Established Client Base**

We cater to large corporates across various industry sectors such as dairy, ice-creams, chocolates, and poultry and meat, which avail of temperature controlled logistic services. Some of our more prominent customers are Hindustan Unilever Limited, Graviss Foods Private Limited, Novozymes South Asia Private Limited, McCain Foods India Private Limited, West Coast Fine Foods India Private Limited, Amrit Hatcheries Private Limited, Tamil Nadu Co-operative Milk Producers Federation, Shriram Distribution Services Private Limited, Kris Flexipacks Private Limited, Al-Karim Exports Private Limited, Indian Immunologicals Limited, Suguna Food Limited, Karnataka Co-operative Milk Producers' Federation Limited and Ferrero India Private Limited.

Most of our large customers (in terms of revenue and volumes) have remained largely unchanged over the last three years. During Fiscal 2012, Fiscal 2013 and Fiscal 2014, our top twenty customers constituting approximately 2.95%, 1.45% and 1.91% of our total customer base, contributed approximately ₹306.49 million, ₹443.66 million and ₹676.57 million of our total revenues, respectively. We believe that this is recognition of our capabilities and our ability to retain customers.

## **Strong promoter and investor base**

We were incorporated with the objective of providing captive services to our then promoter which was engaged in trading of frozen marine products. Subsequently, with the infusion of capital from Brooke Bond India Limited (as it then was) we expanded the scope of our operations to include other frozen food products. Since establishing integrated operations we were able to garner domestic and foreign investment from established companies such as GDL, our Promoter, and international operators such as Mitsubishi Corporation and Mitsubishi Logistics Corporation.

GDL, our Promoter, one of the largest Indian logistics service providers, operates, directly and through its subsidiaries, container freight stations located at major Indian ports and an inland container terminal. We believe that GDL's experience in the logistics sector, business relationships and financial stability instils confidence in our customers who prefer dependable and established service providers. Further, we leverage the corporate, institutional and banking relationships of GDL for our businesses operations. In addition, we believe that our association with GDL has also enabled us to attract strong financial investors such as IFC and NVP. We believe that we can leverage our association with GDL in augmenting our business.

We believe our strong investor base has, amongst others, been an important factor in establishing our reputation as an integrated solutions provider in an industry surfeit with regional and / or unorganised operators.

## **Business Strategy**

## **Maintaining our position in the temperature controlled logistics service industry**

The size of the Indian temperature controlled logistics industry estimated to be around ₹120,000 – ₹150,000 million, at present, is expected to grow at 15%-20% per annum over the next 5 years with the organised market growing at the higher end of the range. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We believe that as one of the leading temperature controlled logistics service providers, we are strategically placed to benefit from the expected growth in the industry.

Further, the Indian retail industry is expected to increase from an estimated USD 520 billion in 2012 to USD 750-850 billion by 2015. The food and grocery industry constituting 60% is the largest component of the retail industry. The organised retail segment, though, constitutes only 8% of the total Indian retail market. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We are proposing to increase our warehousing capacity and distribution network to enable us to meet the growing demands of the market. Further, given that a vast majority of our customers are the producers / importers of temperature sensitive products, lack of well-equipped storage facilities and transportation facilities limits their ability to stock such products which, consequently, acts as a deterrent against increasing production / import. Enhancing our storage facilities and scaling up our distribution model, we believe, will facilitate an increase in manufacturing / produce / import of temperature sensitive products. In addition to broadening our customer base, we expect to leverage our existing relationships with established customers to garner additional business.

In addition to enhancing our storage capacity, we are also evaluating setting up temperature controlled warehouses in food parks for processing fruits and vegetable. The Ministry of Food Processing Industries, Government of India, has launched the Mega Food Parks Scheme (MFPS), which aims to accelerate the growth of food processing industry in India by facilitating the establishment of a strong food processing infrastructure backed by an efficient supply chain. As of Fiscal 2012, the Government had approved 13 such projects were approved and 15 have been accorded in-principle approval. We believe that we have the capability to set up temperature controlled warehouses in food parks which we believe will enable us to augment our growth.

## **Augmenting our market share by penetrating markets catered to by regional and / or unorganised operators and in Tier II and Tier III cities**

A vast majority of the temperature controlled logistics service providers are regional and / or unorganised operators. At present, it is estimated that over 90% of the temperature controlled logistics warehousing and around 80% of temperature controlled distribution are catered to by regional and / or unorganised operators who have neither the requisite facilities nor the technical skills to be able to offer complete logistics solutions. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] With increasing consumer awareness, higher standards of living and heightened concerns regarding hygiene, we expect the demand for quality food products to increase. Further, we believe that increasingly strict food safety norms coupled with increasing consumer awareness will prompt entities in the consumer foods business to move towards established temperature controlled service providers. We believe that our ability to handle temperature sensitive products, technical skills and adherence to food safety standards will enable us to penetrate markets catered to by regional and unorganised operators.

At present, we have the ability to service customers on a pan-India basis with temperature controlled warehousing operations near a few prominent cities such as Mumbai, Chennai, Bengaluru and Kolkata. However, over the last decade the demand for quality food products has increased and consumer spending in Tier II and Tier III cities has been steadily on the rise, and this trend is expected to continue. For instance, it is expected that growth in the QSR segment (expected to grow at a rate of 30% per annum) will be particularly prominent in Tier II and Tier III cities. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] We believe that Tier II and Tier III cities present significant growth opportunities to our customers and, consequently, us. Expanding our operations into cities such as Baramati, Surat and Bhubaneswar will widen our reach and attract potential customers who are either operating or proposing to venture into nascent markets. We believe that our expanded warehousing operations coupled with the standard and quality of service we offer will augment our growth.

## **Increasing our revenue share from value added services**

We believe that, apart from expanding our reach to new customers, one of the critical means of increasing our margins is to enhance the range of services that we offer to our existing customers. We propose to increase our

revenues from our existing value added services (VAS) such as kitting, labelling and sorting. Further, we attempt to evaluate our customers' needs on a regular basis which enables us to customise our service offerings.

In Fiscal 2014, VAS contributed 1.05% and 5.20% to our revenue and profits respectively. Consequently the revenue earned from these services increased by 109.15% for the same period. While the revenue generated from VAS is not significant, it is an important component of our business operations since the cost involved in providing VAS is negligible.

The key criterion in providing value added services is the availability of floor space. One of the main objects of this Issue is to set-up new temperature controlled warehouses which, when complete, will increase the available floor space significantly. We believe the additional floor space we will gain from expansion will boost our ability to provide value added services to our customers.

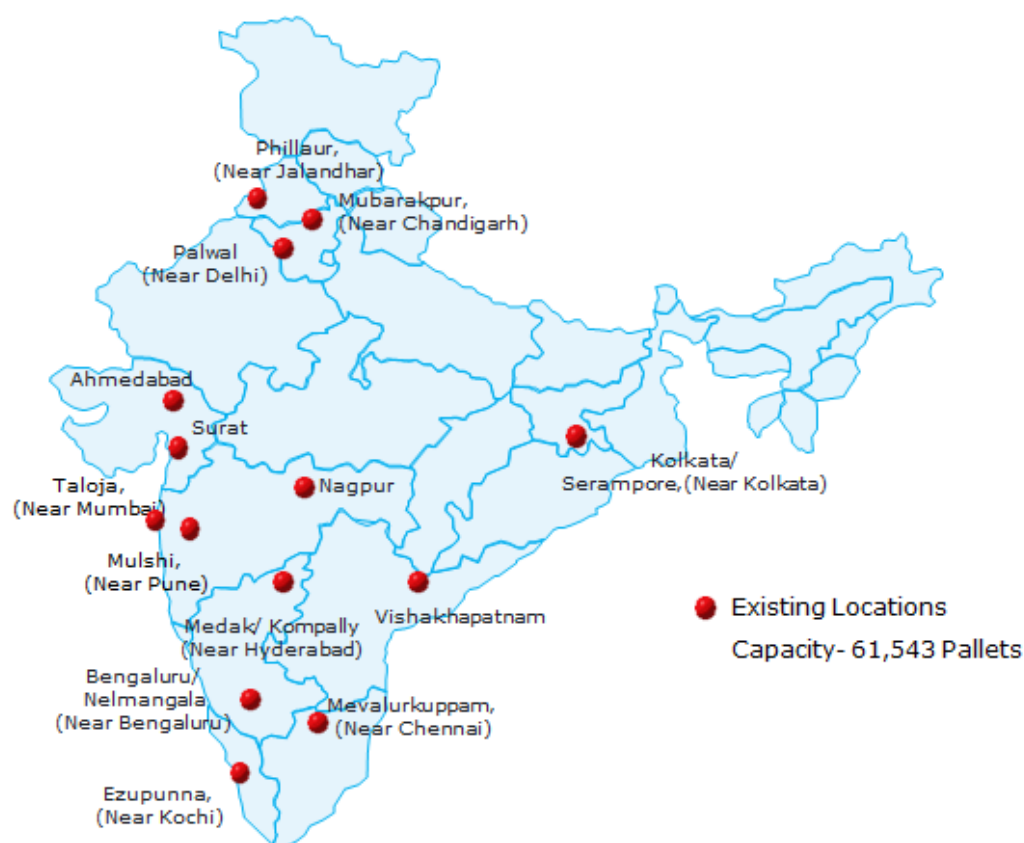
Further, we propose to provide additional VAS in the fruit and vegetable segment. We are proposing to offer certain other value added services such as pre-cooling, ripening and processing of fruits and vegetables in addition to our already existing services such as cleaning, grading, sorting, cutting and packing of fruits and vegetables. We believe we have the required infrastructure, expertise and available labour force to add these to our service offerings.

### **Increasing our client engagement through vendor consolidation**

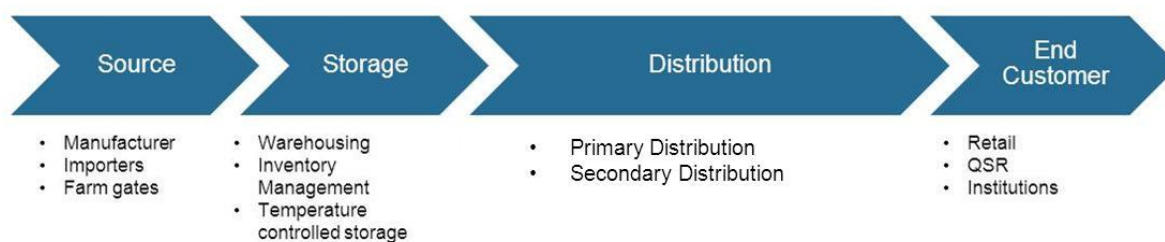
Of the total Indian retail market, organized retail constituting 8% is expected to grow at 30%, as against the overall market growth, which is forecasted at 16-18% in the same period. Within the organized retail the food segment is expected to grow at a fast pace of 14-15% on the back of which demand for temperature controlled logistics is expected to increase. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*]. With several MNC's proposing to enter the Indian markets in the organized retail segment, we believe that this business proposition will provide us a comprehensive understanding of purchase planning, consumer preferences, demand and supply, store management and vendor management in the QSR or hospitality segment. This, we believe, would augment our ability to cater to entry level MNC QSRs. We are in negotiations for managing the entire temperature controlled supply chain of certain prominent QSRs. We intend to engage the services of a supply chain management facilitator to provide us critical support.

### ***Our Business Operations***

We offer integrated temperature controlled logistics (TCL) services including warehousing and distribution of frozen and chilled products. As at March 31, 2014, our 'source to stores' warehousing and distribution network with the ability to service customers on a pan-India basis is depicted below.



## Process flow chart



We store products primarily from manufacturers and importers, such as HUL, Godrej Tyson Foods Limited, Kraft Foods, West Coast Fine Foods India Private Limited and McCain Foods India Private Limited.

## Temperature Controlled Warehousing

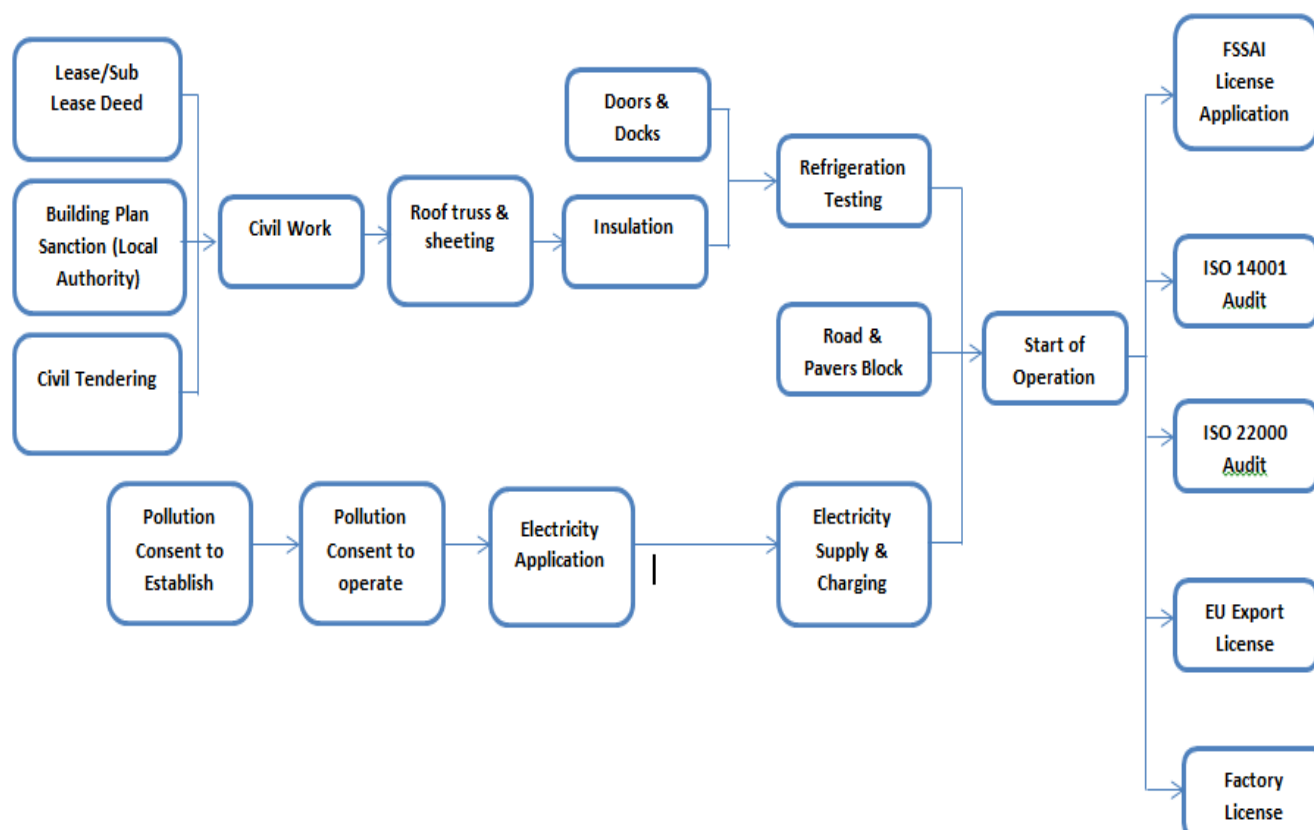
Our warehousing solutions cover the complete spectrum of temperature ranges from ambient to chilled and frozen. In addition, we are one of the few service providers with blast freezing capabilities. Blast freezing enables us to reduce the temperature of certain products such as poultry and meat, received in our temperature controlled warehouse quickly, by subjecting it to  $-40^{\circ}\text{C}$ . Our temperature controlled warehouses, built with state-of-the-art technology, are equipped to manage temperatures from  $+20^{\circ}\text{C}$  to  $-25^{\circ}\text{C}$ . We offer blast freezing facilities at our temperature controlled warehouses in Bengaluru, Mevalurkuppam, (near Chennai), Visakhapatnam, Serampore (near Kolkata), Taloja (near Mumbai), Ahmedabad, Palwal (near Delhi), Mubarakpur (near Chandigarh) and Surat.

All our temperature controlled warehouses adhere to strict standards on food safety and hygiene. Our temperature controlled warehouses are operated under process control systems which help maintain a pre-determined temperature for different products and provide for ERP based inventory management system.

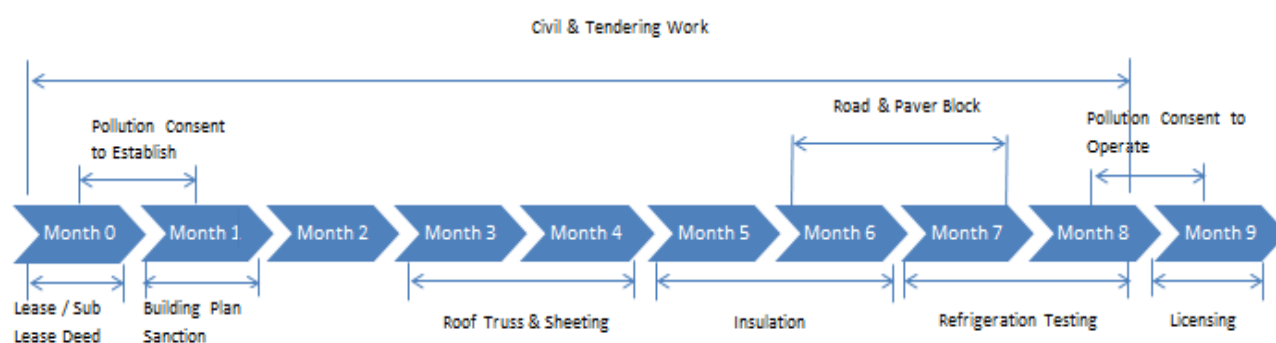
### Setting-up a temperature controlled warehouse

Set out below is a pictorial representation of the process of setting up temperature controlled warehouse.

### Indicative Process of Setting up of Temperature Controlled Warehouses



### Indicative Timelines for the Above Process



Approvals/ registrations / licenses are required to be obtained for each of the warehouses at two stages:

- a. Prior to establishment; and
- b. Prior to operations

For each warehouse, prior to establishment, the following approvals / registrations / licenses are required

- i. Approval of the plan from the Chief Inspector of factories;
- ii. Consent to establish under the Air (Prevention and Control of Pollution) Act, 1981 from the relevant pollution control board; and
- iii. Consent to establish under the Water (Prevention & Control of Pollution) Act, 1974 from the relevant pollution control board

For each warehouse, after establishment and prior to operations, the following approvals / registrations / licenses are required:

- i. Factories licence, including, obtaining the certificate of stability and registration as a factory;
- ii. Consent to operate under the Air (Prevention and Control of Pollution) Act, 1981;
- iii. Consent to operate under the Water (Prevention & Control of Pollution) Act, 1974; and
- iv. FSSA license under the Prevention of Food Adulteration Act, 1954.

For details of licences/approvals and registrations we have obtained, please see the chapter entitled '*Government and Other Approvals*' on page 294.

Our temperature controlled warehouses are equipped with:

- Refrigeration systems;
- Reach truck to handle operations in palletized conditions;
- G+4 heavy-duty racking system;
- Air-curtain equipped poly-urethane insulated doors;
- Generators;
- Leaf styled dock door opening; and
- Computerized FEFO programme which ensures intelligent inventory rotation on a real time basis.

Our temperature controlled warehouses comprise insulated sandwiched panels made of polyurethane lined with metal skins on both sides of specified density. The panels are made from chlorofluorocarbon (CFC) free polyurethane materials. Polyurethane is resistant to harsh environmental factors such as abrasion, heat and solvents as compared to steel and plastic. Further, Polyurethane is a unique material that offers the elasticity of rubber combined with the toughness and durability of metal. In addition, polyurethane has high thermal insulation properties which make it more suitable than brick-and-mortar walls. The structure is properly covered with steel sheeting to protect from rain and wind. The salient features of our temperature controlled warehouses include:

- Multi-facility environment friendly refrigerant – Freon 404(a);
- Multi-chamber, multi temperature warehouse to accommodate various products such as dairy products including cheese and butter, confectionaries including chocolates and other food items including meat and sea food;
- Rooms designed to accommodate products in temperature range of +20 °C to -25 °C;
- Adequately illuminated warehouses with special subzero light fittings;
- Complete power backup with multiple generators;
- Many of our temperature controlled warehouses are configured to enable the reefer units to operate within our warehousing facilities through a plug-in power source; and
- Our temperature controlled warehouses are ISO 14001, ISO 22000 and FSSA (Food Safety and Standards Act, 2006) certified. In addition, our temperature controlled warehouses located in Visakhapatnam, Hyderabad, Kochi and Kolkata are EU (European Union), MPEDA (Marine Products Exports Development Authority) certified.

Additionally, some of our temperature controlled warehouses are equipped with blast freezers. We offer blast freezing facilities at our temperature controlled warehouses in Bengaluru, Mevalurkuppam, (near Chennai), Visakhapatnam, Serampore (near Kolkata), Taloja (near Mumbai), Ahmedabad, Palwal (near Delhi), Mubarakpur (near Chandigarh) and Surat.

We store our products in pallets that are capable of enduring weights of up to 1 (one) tonne (i.e. 1,000 kg). The G+4 (i.e. ground + 4 (four) levels) racking and pallet system employed by us increases our storage capacity and enables stacking of products to up to a height of 22 (twenty two) feet. The storing and unloading is done by using state-of-the-art forklifts.

Set out below are details of our temperature controlled warehouses as on March 31, 2014.

| Temperature Controlled Warehouse                         | Exact Location                | Pallet Storage Capacity |
|----------------------------------------------------------|-------------------------------|-------------------------|
| Kolkata                                                  | Serampore (near Kolkata)      | 1,152                   |
| Visakhapatnam                                            | Autonagar, Visakhapatnam      | 3,391                   |
| Hyderabad – I                                            | Medak, (near Hyderabad)       | 578                     |
| Mumbai-M55                                               | Taloja (near Mumbai)          | 1,152                   |
| Ahmedabad                                                | Changodar, Ahmedabad          | 1,296                   |
| Pune                                                     | Mulshi (near Pune)            | 2,636                   |
| Nagpur                                                   | MIDC Hingna, Nagpur           | 200                     |
| Delhi                                                    | Palwal (near Delhi)           | 4,032                   |
| Phillaur                                                 | Phillaur (near Jalandhar)     | 576                     |
| Nelamangala                                              | Nelamangala, (near Bengaluru) | 576                     |
| Bengaluru – Virgonagar I                                 | Virgonagar, Bengaluru         | 2,520                   |
| Chennai-I                                                | Mevalurkuppam, (near Chennai) | 3,928                   |
| Cochin                                                   | Ezhupunna (near Cochin)       | 816                     |
| Mumbai-M8 CS-I                                           | Taloja (near Mumbai)          | 2,940                   |
| Mumbai-M8 CS-II                                          | Taloja (near Mumbai)          | 3,960                   |
| Mumbai-M8 CS-III                                         | Taloja (near Mumbai)          | 3,520                   |
| Bengaluru- Virgonagar II                                 | Virgonagar, Bengaluru         | 2,400                   |
| Chennai-II                                               | Mevalurkuppam (near Chennai)  | 1,148                   |
| Kolkata-II                                               | Howrah, Kolkata               | 5,882                   |
| Hyderabad- II                                            | Kompally (near Hyderabad)     | 3,000                   |
| Chandigarh                                               | Mubarakpur (near Chandigarh)  | 3,360                   |
| Surat                                                    | Ichhapore, Surat              | 3,240                   |
| Mumbai – I (M-32*)                                       | Taloja (near Mumbai)          | 6,240                   |
| <b>Total Temperature Controlled Warehousing Capacity</b> |                               | <b>58,543</b>           |
| Hyderabad – Ambient                                      | Kompally (near Hyderabad)     | 1,000                   |
| Chandigarh – Ambient                                     | Mubarakpur (near Chandigarh)  | 2,000                   |
| <b>Total warehousing capacity</b>                        |                               | <b>61,543</b>           |

*\*This warehouse forms a part of the objects for this issue. For additional information relating to our proposed warehouses, please see the chapter entitled 'Objects of the Issue' on page 79 of this Prospectus.*

## **Transportation**

While a majority of our customers arrange for the transportation of products to our temperature controlled warehouses, some of our customers rely on us to transport their products from the factories / point of import to our temperature controlled warehouses. We arrange for the transportation of the customers' products from point of sourcing to our temperature controlled warehouse through Reefer Vehicles or ambient distribution vehicles operated by us.

## **Utilities**

Our power requirements are met through state electricity boards and back-up diesel generator sets. Given that electricity is critical for maintaining the integrity and quality of the products warehoused with us, our back-up diesel generators are crucial to our operations. In the past, we have been able to ensure uninterrupted warehousing operations even during crises. For instance, in July 2012 there was complete break-down of the northern, eastern and north-eastern electricity grids (which impacted electricity supply to almost 22 states in India) resulting in severe disruption in electricity supply for about 2 days. Our operations, however, were uninterrupted since we operated our back-up generator sets continuously including by procuring the vast quantities of diesel required from one of the government controlled oil suppliers.

Further, water while not critical to our operations is generally sourced from state water boards and / or bore-wells.

## **Distribution Reach**

Our distribution reach has two divisions:

*Primary Distribution:* The primary transportation (long haul) generally facilitates inter-city transport of products. The primary transport service includes door to door service, customized Milk Runs and Part Cargo Consolidation. As of March 31, 2014, we operated 226 primary transportation vehicles, consisting of 198 leased and 28 owned vehicles, with an ability to cover over 242 cities and towns.

*Secondary Distribution:* The secondary transportation handles distribution of products within a city i.e. last mile distribution, supplying, amongst others, QSRs, retail outlets, restaurants and the hotels. As of March 31, 2014, we operated 144 secondary transportation vehicles consisting of 109 leased and 35 owned vehicles for supplying, amongst others, to QSRs, retail outlets, restaurants and hotels within a city.

## **Temperature Controlled Distribution**

As of March 31, 2014, our operations comprised 23 temperature controlled warehouses across 14 locations in India including Serampore (near Kolkata), Taloja (near Mumbai), Palwal (near Delhi), Mevalurkuppam, (near Chennai) and Bengaluru capable of warehousing 58,543 pallets and 3,000 ambient pallets. As of March 31, 2014, we operated 370 Reefer vehicles consisting of 307 leased and 63 owned vehicles. As of March 31, 2014, we engaged a total workforce of 1,490 including 383 permanent employees and 1,107 on a contract labour basis.

We operate vehicles with a capacity of ferrying loads ranging from 2.5 tonnes to 20 tonnes. Each Reefer Vehicle is equipped with a data logger to ensure continuous monitoring of temperature and are global positioning system (GPS) enabled for real time tracking. The data logger and the GPS enable us to provide our customers with real-time information about the cargo even when in transit. Further, the data logger enables us to ensure that the prescribed temperature is maintained to ensure that the quality of the temperature sensitive products is not compromised.

## **Ambient Distribution**

We commenced the ambient distribution business i.e. non-temperature controlled in March, 2012. Through ambient distribution we offer services in primary and secondary distribution segment and containerized transportation.

## **Consignment Agency Business**

In addition to the refrigerated transport service described above, we also provide retail distribution through a consignment agency model for certain select customers. As of March 31, 2014, we provide this service including to Graviss Foods Private Limited, one of our customers.

Services offered under this model include:

- Indenting, order bookings and category management;
- Invoicing and receivable management;
- Inventory management, supply & tax administration;
- Safe handling of payment collection process from customers through dedicated teams;
- Reverse logistics and safe disposal of expired and excess stocks as per Government Norms; and
- Statutory norms follow up including tax management such as sales tax, octroi and cess.

## **Value Added Services**

In addition to the regular warehousing and distribution services, we provide value added services to enhance our appeal to customers. We provide value added services such as kitting, labelling, sorting, stuffing and de-stuffing of containers, repacking and bulk breaking. Further, we sort, grade, pack and wash select fruits and vegetables. The blast freezer installed at some of our major temperature controlled warehouses enables us to accelerate the reduction in temperature by freezing the products to a temperature of  $-40^{\circ}\text{C}$ .

## **Information Technology**

We have over the years invested in upgrading our IT hardware and software to ensure that we provide complete logistics solutions to our customers. We believe that our technology is state-of-the-art and is comparable to the technologies used in more developed markets. Further, we believe that our current infrastructure in terms of software as well as hardware is scalable. We have also successfully implemented a customised ERP system.

Our corporate office at Bengaluru and all our temperature controlled warehouses are connected through a separate leased line – a virtual private network provided and maintained by a reputable IT company. The salient features of our IT system are set out below.

- Real – time self service which gives the customer complete access to its inventory towards ensuring timely corrective action;
- Full traceability throughout the supply chain;
- Centralized management of inventory, orders, receipts and shipments;
- Aging, shelf life, on hand inventory, and stock status reports;
- Historical volume and performance metrics are reviewed on a consistent basis and are provided to customers to enable them to optimize their inventory management; and
- E – mail alerts to proactively manage events and make fact based decisions.

## **Safety**

Our Board and top management are aware of the need to instill safety procedures and continuously update our safety preparedness. Some of the steps we have adopted towards ensuring safety within our facilities and on our Reefer Vehicles are:

- Safety calendar for the year – we set aside specific days for workshops and training programmes;
- Fire and first aid workshops;
- Periodical safe product handling seminars which are conducted in conjunction with the manufacturers of the equipment used in our temperature controlled warehouses; and
- Periodic driver training modules both internal as well as by sending our drivers to the Ashok Leyland Training School.

Further, our MHE operators also undergo training on a regular basis with equipment manufacturers.

### **Global Associations**

We are members of various global industry associations such as GCCA, IARW and WFLO. Membership with these associations enables us to participate in international conferences and seminars on the temperature controlled logistics and generally keep abreast with the global developments in our industry including through industry newsletters and magazines. In addition, membership also provides us with networking opportunities and an ability to reach out to clients spread across geographies. It is also pertinent to note that the GCCA, in particular, provides us access, amongst others, to scientific advisors.

### **Competition**

The Indian temperature controlled logistics business is largely catered to by regional service providers with approximately 6%-7% in warehousing and 15-20% in transportation catered to by organised operators. Further there are very few organised operators who have a comprehensive pan-India presence. [Source: *The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] In addition, a number of service providers operate only in one or the other sector i.e. either temperature controlled warehouse business or temperature controlled distribution business. Therefore, we compete against various operators in different business segments in different geographic locations in addition to the regional and / or unorganised service providers.

### **Customers**

We cater to various international and domestic customers across diverse product segments. Some of our customers are Hindustan Unilever Limited, Graviss Foods Private Limited, Novozymes South Asia Private Limited, McCain Foods India Private Limited, West Coast Fine Foods India Private Limited, Amrit Hatcheries Private Limited, Tamil Nadu Co-operative Milk Producers Federation, Shriram Distribution Services Private Limited, Kris Flexipacks Private Limited, Al-Karim Exports Private Limited, Indian Immunologicals Limited, Suguna Food Limited, Karnataka Co-operative Milk Producers' Federation Limited and Ferrero India Private Limited.

### **Property**

We operate our temperature controlled warehouses from a mix of owned and leased properties. Leasing properties for a long duration benefits us by reducing the cost of the project given the price of land and, simultaneously, ensures that we have the property for a sufficiently long duration to make commercial sense. Consequently, we propose to operate a majority of our temperature controlled warehouses on leased properties.

While we are generally free to terminate the lease with notice, the properties at Taloja (near Mumbai), Bengaluru and Mevalurkuppam, (near Chennai) are subject to a lock-in period of between 9 and 10 years.

Details of the property on which we operate our warehouses as of July 31, 2014 are as follows:

| <b>Sr. No.</b> | <b>Locations</b>             | <b>Land<br/>Owned / Leased</b>  | <b>Building<br/>Owned / Leased</b> |
|----------------|------------------------------|---------------------------------|------------------------------------|
| 1.             | Ahmedabad                    | Leased (30 Yrs)                 | Lease (30 Yrs)                     |
| 2.             | Palwal (near Delhi)          | Owned                           | Owned                              |
| 3.             | Nelamangala (near Bengaluru) | Owned                           | Owned                              |
| 4.             | Bengaluru (Virgonagar –I )   | Leased (20 Yrs)                 | Owned                              |
| 5.             | Bengaluru (Virgonagar–II)    | Leased (20 Yrs)                 | Owned                              |
| 6.             | Serampore (near Kolkata)     | Owned                           | Owned                              |
| 7.             | Visakhapatnam                | Owned                           | Owned                              |
| 8.             | Medak, (near Hyderabad)      | Owned                           | Owned                              |
| 9.             | M-55 Taloja (near Mumbai)    | Leased (95 Yrs lease from MIDC) | Owned                              |
| 10.            | M-8 Taloja (near Mumbai)     | Leased (20 Yrs)                 | Owned                              |
| 11.            | Mulshi (near Pune)           | Owned                           | Owned                              |

| Sr. No. | Locations                                  | Land<br>Owned / Leased | Building<br>Owned / Leased |
|---------|--------------------------------------------|------------------------|----------------------------|
| 12.     | Nagpur                                     | Leased                 | Leased                     |
| 13.     | Phillaur (near Jalandhar)                  | Owned                  | Owned                      |
| 14.     | Mevalurkuppam, (near Chennai)              | Owned                  | Owned                      |
| 15.     | Mevalurkuppam (near Chennai)New            | Leased (20 Yrs)        | Owned                      |
| 16.     | Ezhupunna (near Cochin)                    | Owned                  | Owned                      |
| 17.     | Kolkata-New                                | Leased (20 Yrs)        | Owned                      |
| 18.     | Kompally (near Hyderabad)-New              | Leased (20 Yrs)        | Owned                      |
| 19.     | Mubarakpur (near Chandigarh)               | Leased (20 Yrs)        | Owned                      |
| 20.     | Surat*                                     | Leased (20 Yrs)        | Owned                      |
| 21.     | Mumbai –I (M-32), Talaja (near             | Leased (20 Yrs)        | Owned                      |
| 22.     | Bhubaneswar*                               | Leased (20 Yrs)        | Owned                      |
| 23.     | Pune*                                      | Leased (20 Yrs)        | Owned                      |
| 24.     | Visakhapatnam*                             | Leased (20 Yrs)        | Owned                      |
| 25.     | Mevalurkuppam (near Chennai)*              | Leased (20 Yrs)        | Owned                      |
| 26.     | Mumbai – II, Talaja (Near Mumbai) (K-12)** | Leased (10 + 10 Yrs)   | Owned                      |

\*As on March 31, 2014, these warehouses were under construction. In case of Surat, only the ambient portion of the warehouse was under construction.

\*\*As on March 31, 2014, we had not entered into a lease agreement for this warehouse.

### ***Employees***

Our pool of employees consists of permanent employees, other employees and persons hired on contract labour basis. As of March 31, 2014, we engaged 1,490 employees including 383 permanent employees and 1,107 on a contract labour basis.

| Location                     | Accounts & Finance | Business Analyst | Consign ment Agency | Human Resource Development | Information Technology | Operations | Personnel & Administration | Projects | Quality Assurance | Primary Transportation | Sales     | Secondary Distribution | Technical  | Top Management (CEO, CFO, COO) | Grand Total |
|------------------------------|--------------------|------------------|---------------------|----------------------------|------------------------|------------|----------------------------|----------|-------------------|------------------------|-----------|------------------------|------------|--------------------------------|-------------|
| Ahmedabad                    | 1                  |                  |                     |                            |                        | 3          |                            |          |                   |                        | 1         |                        | 2          |                                | 7           |
| Ballabgarh                   | 1                  |                  |                     |                            |                        | 9          |                            |          |                   | 1                      |           |                        | 6          |                                | 17          |
| Chennai                      | 3                  |                  |                     |                            |                        | 8          |                            |          |                   | 1                      | 2         |                        | 8          |                                | 22          |
| Cochin                       |                    |                  | 1                   |                            |                        | 2          |                            |          |                   | 1                      |           |                        | 3          |                                | 7           |
| Bangalore (Corporate Office) | 18                 | 2                | 4                   | 2                          | 5                      | 6          | 10                         | 3        | 1                 | 10                     | 3         | 2                      | 11         | 3                              | 80          |
| Delhi                        | 3                  |                  |                     |                            |                        | 3          |                            |          |                   | 1                      | 1         |                        |            |                                | 8           |
| Mubarakpur (near Chandigarh) | 1                  |                  |                     |                            |                        | 5          |                            |          |                   | 2                      | 1         |                        | 4          |                                | 13          |
| Hyderabad                    | 2                  |                  | 1                   |                            |                        | 7          |                            |          |                   | 1                      | 1         |                        | 6          |                                | 18          |
| Kolkata                      | 2                  |                  |                     |                            |                        | 15         |                            |          |                   |                        | 3         | 1                      | 12         |                                | 33          |
| Ludhiana                     | 1                  |                  |                     |                            |                        | 1          |                            |          |                   |                        |           |                        | 3          |                                | 5           |
| Mumbai                       | 6                  |                  |                     |                            | 1                      | 51         |                            |          | 1                 | 4                      | 6         |                        | 20         |                                | 89          |
| Nagpur                       |                    |                  |                     |                            |                        | 1          |                            |          |                   |                        |           |                        | 3          |                                | 4           |
| Nelamangala (near Bangalore) |                    |                  |                     |                            |                        | 1          |                            |          |                   |                        |           |                        | 1          |                                | 2           |
| Pune                         | 2                  |                  |                     |                            |                        | 14         |                            |          |                   | 1                      |           |                        | 6          |                                | 23          |
| Surat                        | 1                  |                  |                     |                            |                        | 4          |                            |          |                   |                        | 1         |                        | 5          |                                | 11          |
| Bangalore, Virgonagar        |                    |                  | 4                   |                            |                        | 14         |                            |          |                   | 1                      | 2         |                        | 7          |                                | 28          |
| Visakhapatnam                | 2                  |                  |                     |                            |                        | 6          |                            |          |                   |                        | 2         |                        | 6          |                                | 16          |
| <b>Grand Total</b>           | <b>43</b>          | <b>2</b>         | <b>10</b>           | <b>2</b>                   | <b>6</b>               | <b>150</b> | <b>10</b>                  | <b>3</b> | <b>2</b>          | <b>23</b>              | <b>23</b> | <b>3</b>               | <b>103</b> | <b>3</b>                       | <b>383</b>  |

Persons we have hired on a contract labour basis are deployed, amongst others, as security personnel and drivers.

## Insurance

We maintain a comprehensive set of insurance policies, which are renewable every year. Our property, plant and equipment are insured for standard perils, including fire and earthquake and our vehicles and the containers/reefers are insured for accidental damages. We maintain director and officers' liability insurance and also medical insurance policies and personal accident insurance policies for our employees. Our policies are subject to customary exclusions and deductibles.

| Sr. No | Policy number | Nature of Policy                          | Insurer                                         | Period of insurance                   | Policy Premium (Net) (in Rupees) | Sum Insured / Limit of indemnity (in Rupees) | All locations* covered, other than                                                                                                                                          |
|--------|---------------|-------------------------------------------|-------------------------------------------------|---------------------------------------|----------------------------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | 55014955      | All Risk                                  | IFFCO – Tokio General Insurance Company Limited | October 1, 2013 to September 30, 2014 | 15,361                           | 2,025,395                                    | NA**                                                                                                                                                                        |
| 2.     | 11734378      | Standard Fire and Special Perils          | IFFCO – Tokio General Insurance Company Limited | May 14, 2014 to May 13, 2015          | 2,013,374                        | 3,080,703,899                                | Proposed warehouses*** :<br><br>Visakhapatnam<br><br>Pune<br><br>Chennai – II, Mevalurkuppam, (near Chennai)<br><br>Others:<br><br>Mumabi – II, Taloja (near Mumbai) (K-12) |
| 3.     | 41023829      | Comprehensive General Liability Insurance | IFFCO – Tokio General Insurance Company Limited | October 31, 2013 to October 30, 2014  | 224,720                          | 60,000,000                                   | Proposed warehouses:<br><br>Mumbai – I, Taloja (near Mumbai) (M-32)<br><br>Visakhapatnam<br><br>Pune<br><br>Chennai – I, Mevalurkuppam<br><br>Chennai – II, Mevalurkuppam   |

| Sr. No | Policy number           | Nature of Policy                     | Insurer                                         | Period of insurance          | Policy Premium (Net) (in Rupees) | Sum Insured / Limit of indemnity (in Rupees)                                                              | All locations* covered, other than                                                                                                                                                                                                                                       |
|--------|-------------------------|--------------------------------------|-------------------------------------------------|------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                         |                                      |                                                 |                              |                                  |                                                                                                           | Cuttack (near Bhubaneswar)<br><br>Others:<br><br>Mumbai – II, Taloja (near Mumbai) (K-12)                                                                                                                                                                                |
| 4.     | 650100/44/14/5200000010 | Machinery Breakdown Insurance Policy | National Insurance Company Limited              | July 4, 2014 to July 3, 2015 | 2,019,125                        | 1,110,78,191                                                                                              | Proposed warehouses:<br><br>Mumbai – I, Taloja (Near Mumbai) (M32)<br><br>Visakhapatnam<br><br>Pune<br><br>Chennai – I, Mevalurkuppam<br><br>Chennai – II, Mevalurkuppam<br><br>Cuttack (near Bhubaneswar)<br><br>Others:<br><br>Mumbai – II, Taloja (Near Mumbai) (K12) |
| 5.     | 45042011                | Money Insurance Policy               | IFFCO – Tokio General Insurance Company Limited | May 2, 2014 to May 1, 2015   | 25,169                           | Annual Carrying Limit – 12,500,000<br><br>Single Carrying Limit – 400,000<br><br>Cash in safe – 4,975,000 | Bengaluru, Virgonagar – II                                                                                                                                                                                                                                               |
| 6.     | 41024079                | Directors and Officers               | IFFCO – Tokio General                           | December 11,                 | 155,057                          | 40,000,000                                                                                                | NA                                                                                                                                                                                                                                                                       |

| Sr. No | Policy number            | Nature of Policy                  | Insurer                                         | Period of insurance                      | Policy Premium (Net) (in Rupees) | Sum Insured / Limit of indemnity (in Rupees) | All locations* covered, other than |
|--------|--------------------------|-----------------------------------|-------------------------------------------------|------------------------------------------|----------------------------------|----------------------------------------------|------------------------------------|
|        |                          | Liability                         | Insurance Company Limited                       | 2013 to December 10, 2014                |                                  |                                              |                                    |
| 7.     | 502540                   | Employee Deposit Linked Insurance | Birla Sun Life Insurance                        | September 23, 2013 to September 23, 2014 | 66,255.84                        | 50,400,000                                   | NA                                 |
| 8.     | 51344294                 | Group Personal Accident Insurance | IFFCO – Tokio General Insurance Company Limited | October 21, 2013 to October 20, 2014     | 61,798                           | 121,100,000                                  | NA                                 |
| 9.     | 0723002814P102607082     | Group Mediclaim Policy            | United India Insurance Company Limited          | July 11, 2014 to July 10, 2015           | 1,924,239                        | Hospitalization – 25,500,000                 | -                                  |
| 10.    | GT000483                 | Group Term Policy                 | HDFC Life                                       | November 18, 2013 to November 18, 2014   | 934,866                          | 757,142,496                                  | -                                  |
| 11.    | 072300/21/13/02/00000198 | Marine Cargo Open Policy          | United India Insurance Company Limited          | February 9, 2014 to February 8, 2015     | 29,212                           | 20,000,000                                   | -                                  |
| 12.    | 43081933                 | Workmen's Compensation Policy     | IFFCO – Tokio General Insurance Company Limited | June 7, 2014 to June 6, 2015             | 300,592                          | NA                                           | -                                  |

\*For details of the locations of our Company, please see the chapter entitled 'Our Business' on page 115 of this Prospectus.

\*\*This insurance policy is not location specific. It covers 54 laptops and 37 mobiles out of 76 laptops and 39 mobiles currently owned by our Company.

\*\*\*Our Company also holds Erection All Risk Insurance policies for its locations at Chennai - II, Vishakhapatnam and Pune, which insure civil works during the construction phase of our warehouses.

### Intellectual Property

We have registered trademarks for:

- 'Snowman Frozen Foods' under class 29, 30 and 39, (certificate numbers 46753, 46248 and 425688, respectively);
- 'Snowman Cargo'; and
- Our logo



The registration for each of the above is valid till August 8, 2014. The Company has filed applications for renewal of each of the above on June 17, 2014. The Company has also filed applications in form TM-33 and TM-34 on June 26, 2014 for change in the name and the address of the Company for communications from the Registrar of Trademarks in respect of each of the above trademarks.

We have also made an application for the registration of '*Snowman Fresh*' under two separate categories under the Trade Marks Act. In addition, we have applied for the registration of '*Snowman Logistics*'. The status of our trademarks applications is as follows:

| Sr. No.                  | Application Number | Class | Date of application | Status as on March 31, 2014 |
|--------------------------|--------------------|-------|---------------------|-----------------------------|
| <b>Snowman Fresh</b>     |                    |       |                     |                             |
| 1.                       | 2339986            | 29    | May 30, 2012        | Objection has been raised   |
| 2.                       | 2339987            | 30    | May 30, 2012        | Objection has been raised   |
| <b>Snowman Logistics</b> |                    |       |                     |                             |
| 1.                       | 2420554            | 29    | October 31, 2012    | Objection has been raised   |
| 2.                       | 2420555            | 30    | October 31, 2012    | Objection has been raised   |
| 3.                       | 2420556            | 31    | October 31, 2012    | Marked for examination      |
| 4.                       | 2420557            | 32    | October 31, 2012    | Objection has been raised   |
| 5.                       | 2420558            | 39    | October 31, 2012    | Objection has been raised   |

### **Marketing**

Our marketing division is headed by our Chief Operating Officer and assisted by regional and branch sales heads.

Our sales teams are stationed at our regional offices in Bengaluru (South), Mumbai (West), Delhi (North) and Kolkata (East) as well as at various branch offices in locations where our temperature controlled warehouses are situated.

Since the target industries and customers are known to us, the sales teams approach them and solicit business for various verticals. We also advertise frequently in the food and cold chain related journals which are generally subscribed to by professionals in the relevant industries. While the warehousing division has a large percentage of repeat customers, the transportation business involves a more aggressive marketing effort. We believe that the quality of service we offer is one of our most effective marketing tools.

## 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, see the section titled 'Government and Other Approvals' on page 294 of this Prospectus.*

### **The Food Safety and Standards Act, 2006**

The Food Safety and Standards Act, 2006 (**FSSA**) was enacted on August 23, 2006 with a view to consolidating the laws relating to food and to establish the Food Safety and Standards Authority of India (the "Food Authority") for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by 'Food Safety Appellate Tribunal'. 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 (**FSSR**) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of 'commissioner of food safety', 'food safety officer' and 'food analyst' and procedures of taking extracts, seizure, sampling and analysis.

The 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 will 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 requirement for every entity in the food sector. Such licence or a registration would 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.

### **Drugs and Cosmetics Act, 1940**

The Drugs and Cosmetics Act, 1940 was enacted to regulate the laws with relation to drugs and cosmetics in India and bring about uniformity in the enforcement of drugs laws. The Central Government, being authorised to issue rules under the Drugs and Cosmetics Act, has issued Drugs and Cosmetics Rules, 1945. The Drugs and Cosmetics Act along with the Drugs and Cosmetics Rules regulate the manufacture, sale and distribution of drugs through the state authorities; and regulate the approval of new drugs, clinical trials and lay down the standards for drugs, including control over the quality of imported drugs in the country, through the central authorities.

### **Carriers Act, 1865**

The Carriers Act, 1865 relates to the rights and liabilities of common carriers. The Carriers Act defines a “common carrier” as a person, other than the Government, engaged in the business of transporting for hire property from place to place, by land or inland navigation, for all persons indiscriminately. A common carrier who carries his customer's goods can limit his liability in all respects save and except against negligence and criminal act on his part or on the part of his servants and agents. The servants or the agent of the carrier are those who handle, store, carry and affect the delivery of the goods to the consignee.

It includes lorry operators or drivers to whom the carrier entrusts goods for carriage and also includes agents or associates. Whenever the loss or damage is caused by negligence or criminal act, the owner is entitled to recover the damages for non-delivery of the goods and it is for the carrier to prove the absence of criminal act or negligence on his part. Where a loss or damage to the consignor's property exceeds rupees one hundred and where the consignor has delivered the consignment to the carrier for carriage and when the consignor has declared value and description of the property and the payment is made to the carrier in a manner provided by this act, such consignor shall be entitled not only to recover the value of the loss or damage suffered by him from the carrier but also such freight or hire charges as actually paid to the carrier in consideration of such risks to be incurred.

### **Carriage Road Act, 2007**

The Carriage by Road Act, 2007 was notified on September 29, 2007 and on coming into force, will repeal the Carriers Act, 1865. The Carriage by Road Act has been enacted for the regulation of common carriers, limiting their liability and declaration of 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 he has 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 Vehicles Act, 1988**

The Motor Vehicles Act, 1988 (MV Act) aims at ensuring road transport safety. The MV Act, among other things, provides for compulsory driving license, compulsory insurance, compensation in case of no fault liability and ‘hit and run’ motor accidents, compensation by the insurer to the extent of actual liability to the victims of motor accidents irrespective of the class of vehicles. Under the MV Act it is the responsibility of the owner of the vehicle to ensure that the driver of the vehicle has a valid driving license and is not below the prescribed age limit. Acts such as driving the vehicle without a valid license, allowing such person to use the vehicle, and driving vehicle of unsafe condition, are criminal offences under the MV Act. The Central Motor Vehicles Rules, 1989 formulated under the MV Act provide for, among other things, procedures to register the motor vehicle and obtain licenses.

### **The Central Motor Vehicles Rules, 1989**

The Central Motor Vehicle Rules provides the rules and procedures for the licensing of drivers, driving schools; registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third party risks.

### **The Karnataka Motor Vehicles Rules, 1989**

The Karnataka Motor Vehicle Rules provides for the issue of license to drivers and conductors of stage carriers, registration of motor vehicles, issue of different types of permits for the motor vehicles and also lays down rules concerning the construction, equipment and maintenance of motor vehicles. Under the Karnataka Motor Vehicle Rules, the driver on duty is responsible for the proper exhibition or production of permit, insurance certificate, registration certificate and fitness certificate as well as driving license. The drivers of goods vehicles should also maintain a record of required information in Form KMV under the Karnataka Motor Vehicle Rules. The Karnataka Motor Vehicle Rules require owners to obtain the following permits: stage carriage permit, contract carriage permit, private service vehicle permit, goods carriage permit, special permit, tourist vehicle permit and National Permit for goods carriage.

### **The Legal Metrology Act, 2009**

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

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

### **Environmental Regulations**

Our Company is subject to Indian laws and regulations concerning environmental protection. The principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (**EIA**) with the State Pollution Control Board (**PCB**) and the Ministry of Environment and Forests (**MEF**) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

### **The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008**

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be

sent or sold to a recycler or re-processor or re-user registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

### **Foreign Investment Regulation**

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended (**FEMA**) read with the applicable FEMA Regulations. Foreign Direct Investment (**FDI**) Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**DIPP**), with effect from April 17, 2014, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP.

Foreign investment is permitted (except in prohibited sectors) in Indian companies either through the automatic route or the approval route, where approval from the Government of India or the Reserve Bank of India (**RBI**) is required, depending upon the sector in which foreign investment is sought to be made.

FDI is allowed under the automatic route for 100% in respect of the sector in which our Company carries out its business.

### **Labour Laws**

The workers are regulated by various labour laws, rules and regulations including the Motor Transport Workers Act, 1961, Workmen Compensation Act, 1923, the Payment of Wages Act, 1936, the Employees' State Insurance Act, 1948, the Factories Act, 1948, the Minimum Wages Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Payment of Bonus Act, 1965, the Contract Labour (Regulation and Abolition) Act, 1970 and the Payment of Gratuity Act, 1972, where applicable.

#### *Motor Transport Workers Act, 1961*

The Motor Transport Workers Act 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. Section 2(g) defines 'Motor transport undertaking' as a motor transport undertaking engaged in carrying passengers or goods or both by road for hire or reward, and includes a private carrier. The Motor Transport Workers Act prescribes that such motor transport undertakings should be registered under the Act. 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.

The Motor Transport Workers Act lays down detailed provisions for regulating work hours, payment of wages and protection of the welfare and health of the employees. Any contravention of a provision regarding employment of motor transport workers is punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both, and in the case of a continuing contravention with an additional fine which may extend to seventy-five rupees for every day during which such contravention continues after conviction for the first such contravention.

#### *The Factories Act, 1948*

The Factories Act, 1948 (**Factories Act**) seeks to regulate labour employed in factories and makes provisions for the safety, health, and welfare of the workers. It applies to industries in which 10 or more than 10 workers are employed on any day of the preceding 12 months. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment, registration and licensing of factories. The Factories Act provides that occupier of a factory i.e. the person who has ultimate control over the affairs of the

factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. The Factories Act also provides for fines to be paid and imprisonment by the manager of the factory in case of any contravention of the provisions of the Factories Act.

#### *Workmen's Compensation Act, 1923*

The Workmen's Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

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

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in 'continuous service' for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

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

The Payment of Bonus Act, 1965 (**Bonus Act**) provides for payment of bonus irrespective of profit and makes payment of minimum bonus compulsory to those employees who draw a salary or wage up to ₹10,000 per month and have worked for a minimum period of 30 days in a year. The Bonus Act mandates that every employee receive a bonus. Bonus is calculated on the basis of the salary or wage earned by the employee during the accounting year. The minimum bonus to be paid to each employee is either 8.33% of the salary or wage or ₹100, whichever is higher, and must be paid irrespective of the existence of any allocable surplus or profits. If the allocable surplus or profit exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to a maximum of 20% of such salary or wage. Contravention of the Bonus Act by a company is punishable with imprisonment up to six months or a fine up to ₹1,000 or both against those individuals in charge at the time of contravention of the Bonus Act.

#### *Maternity Benefit Act, 1961*

The Maternity Benefit Act, 1961 provides that a woman who has worked for at least 80 days in the 12 months preceding her expected date of delivery is eligible for maternity benefits, which include leave for six weeks immediately preceding the scheduled date of delivery and average daily wages for this period. Contravention of this Act is punishable by imprisonment up to one year or a fine up to ₹5,000 or both. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks.

#### *Minimum Wages Act, 1948*

The Minimum Wages Act, 1948 provides that the State Governments may stipulate the minimum wages applicable to a particular industry. Workers are to be paid for overtime at rates stipulated by the appropriate State Government. Any contravention may result in imprisonment up to six months or a fine up to ₹5,000.

#### *Contract Labour (Regulation and Abolition) Act, 1970*

Our Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 (**CLRA**) which requires our Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to

obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

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

The Employees State Insurance Act, 1948 (**ESI Act**) provides for certain benefits to employees in case of sickness, maternity and employment injury. The Act applies to all factories (including Government factories but excluding seasonal factories) employing ten or more persons and carrying on a manufacturing process with the aid of power or employing 20 or more persons and carrying on a manufacturing process without the aid of power and such other establishments as the Government may specify. Every employee (including casual and temporary employees), whether employed directly or through a contractor, who is in receipt of wages up to ₹10,000 per month is entitled to be insured under the ESI Act.

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

The Employees' Provident Funds and Miscellaneous Provisions Act provides for the compulsory institution of contributory provident funds, pension funds and deposit linked insurance funds for employees. The act aims to ensure a retirement benefit to secure the future of the employee after retirement. The Act applies to industries employing 20 or more persons and any other class of establishments employing 20 or more persons notified by the Government.

#### *The Payment of Wages Act, 1936*

The Payment of Wages Act, 1936 is a central legislation which applies to persons employed in factories and to persons employed in industrial or other establishments specified in sub-clauses (a) to (g) of clause (ii) of section 2 of the Act. This Act does not apply to workers whose wages payable in respect of a wage period average ₹1,600 a month or more. The Act has been enacted with the intention of ensuring timely payment of wages to workers and for payment of wages without unauthorised deductions. A worker, who either has not been paid wages in time or an unauthorised deductions have been made from his/her wages, can file a claim either directly or through a Trade Union or through an Inspector under this Act, before the Authority appointed under the Payment of Wages Act.

#### *Industrial Disputes Act, 1947*

The Industrial Disputes Act, 1947 (**ID Act**) provides the machinery and procedure for the investigation and settlement of industrial disputes. It also provides certain safeguards to workers and aims to improve the service conditions of industrial labour. When a dispute exists or is apprehended, the appropriate government is empowered to refer the dispute to an authority mentioned under the ID Act in order to prevent the occurrence or continuance of the dispute. Reference may be made to a labour court, tribunal or arbitrator, as the case may be, to prevent a strike or lock-out while a proceeding is pending. Wide powers have been given to the labour courts and tribunals under the ID Act while adjudicating a dispute to grant appropriate relief such as modification of contract of employment or to reinstate workmen with ancillary relief.

### **Intellectual Property Laws**

In India, trademarks enjoy protection under both statutory and common law. The Trade Marks Act, 1999 protects a distinct 'mark'. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or combination thereof. Once a mark is registered, it is valid in India only, for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trademark grants an owner the right to exclusively use the trademark as a mark of goods and services and prevents the fraudulent use of deceptively similar marks by

any third party. The Trade Marks Act also makes special provision for application of marks as 'collective marks'. The Registrar of Trademarks is the authority responsible for registration of the trademarks, settling opposition proceedings and rectification of the register of trademarks.

#### **Shops and Establishments legislations in various states**

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations, *inter alia*, in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

#### **Property Laws**

The Transfer of Property Act, 1882 (**TP Act**) lays down general principles for the transfer of immovable property in India. It specifies the categories of property that can be transferred, the persons competent to transfer property, the legitimacy of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act recognizes, among others, sale, mortgage, charge and lease as forms in which an interest in an immovable property may be transferred.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as Snowman Frozen Foods Limited on March 17, 1993 as a public limited company under the provisions of the Companies Act. Our Company received a certificate of commencement of business on May 31, 1993 from the Registrar of Companies, Kerala. Our Company was originally promoted by Amalgam Foods Limited. In 1997, Hindustan Unilever Limited (then, Brooke Bond (India) Limited) acquired 23% of our Company's equity share capital. In 2001, the Mitsubishi Group acquired a majority stake in our Company. Subsequently, in 2003, Nichirei Corporation acquired 15% of our Company's equity share capital which was thereafter assigned to Nichirei Logistics Group Inc. in 2005.

In 2006, our Promoter acquired the majority stake in our Company by acquiring 6,861,000 shares held by Amalgam Foods Limited and by subscribing to fresh shares issued by our Company. Consequently, our Promoter held 33.34% of our Company's equity share capital.

In 2010, IFC acquired 20,570,000 equity shares of our Company. Subsequently, on March 17, 2011, the name of our Company was changed to Snowman Logistics Limited pursuant to a new certificate of incorporation. The change in name was to better capture the nature of the business of our Company. In 2013, NVP acquired 17,142,857 shares of our Company. Recently, on August 2, 2014, our Promoter acquired 5,142,500 of the shares held by IFC and on March 11, 2014, our Promoter acquired 7,400,000 shares from Nichirei and at present holds 54.04% share capital of our Company.

### Details of Registered Office

Our Registered Office is leased for a period of twenty years with effect from April 9, 2010 from Mrs. Shilpa Jatti and Dr. H D Ramesh under a lease deed dated April 9, 2010. The lessors of the Registered Office are not related to our Promoter or members of our Promoter Group.

The monthly rent for the Registered Office was ₹0.26 million for the first three years. The rent is enhanced by 15% every three years. Currently, the monthly rent for our Registered Office is ₹0.29 million. Our Company has deposited a sum of ₹0.77 million as an interest free security deposit with the lessors.

### Changes in Registered Office

The details of changes in the registered office are set forth below:

| Date of change    | Details of the change in the address of Registered Office                                                                          |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------|
| July 12, 2007     | Plot No. 276/5-1, 277/7, Ezhupunna Village, Eramalloor (PO), Sherthala Taluk, Ezhupunna Village - 688537, Kerala, India            |
| November 27, 2008 | Snowman House, No.424, 6 <sup>th</sup> Cross, 4 <sup>th</sup> C Main, OMBR Layout, Banaswadi , Bengaluru 560 043, Karnataka, India |
| January 28, 2011  | Sy. No. 36/1, Virgonagar, Old Madras Road , Bandapura Village, Bidarehalli Hobli, Bengaluru- 560 049, Karnataka, India             |

The registered office of our Company was changed over time to enable greater operational efficiency.

### The Main Objects of Company

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

1. To carry on the business of processing, packing, trading – wholesale and retail, distribution for domestic and export sale all types of frozen foods including fruits, vegetable, meat, seafood and all other types of foods.
2. To carry on business in storing for rent or any other consideration, transporting, handling and generally dealing in, all kinds of frozen, chilled, cooled and refrigerated items, including fruits, vegetables, seafood, meats, dairy products and horticultural produce.

3. To carry on the business of buying, selling or otherwise dealing in, operating, hiring, letting on hire, leasing, giving on lease, obtaining licenses for the use of and granting licenses for the use of, cold stores, freezing, chilling and cooling plants, refrigeration units, refrigerated trucks and containers and any and all kinds of freezing, chilling, cooling, refrigeration and cold storage machinery and equipment.
4. To carry on the business of buying, selling, transporting, storing, distributing, handling and dealing in any other goods or food products.

The main object as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out as well as the business proposed to be carried out and the activities proposed to be undertaken pursuant to the Objects of the Issue.

### **Amendments to the Memorandum of Association**

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

| <b>Date of Shareholders Resolution</b> | <b>Details</b>                                                                |
|----------------------------------------|-------------------------------------------------------------------------------|
| June 30, 1995                          | Increase in Authorised Capital from ₹5 million to ₹30 million                 |
| August 19, 1996                        | Increase in Authorised Capital from ₹30 million to ₹100 million               |
| February 9, 2000                       | Increase in Authorised Capital from ₹100 million to ₹300 million              |
| March 7, 2001                          | Increase in Authorised Capital from ₹300 million to ₹410 million              |
| January 23, 2003                       | Increase in Authorised Capital from ₹410 million to ₹500 million              |
| August 22, 2006                        | Increase in Authorised Capital from ₹500 million to ₹900 million              |
| December 17, 2009                      | Increase in Authorised capital from ₹900 million to ₹1,250 million            |
| January 28, 2011                       | Change in Name from Snowman Frozen Foods Limited to Snowman Logistics Limited |
| August 5, 2013                         | Increase in Authorised Capital from ₹1,250 to ₹2,000 million                  |

### **Promoter**

The Promoter of our Company is Gateway Distriparks Limited. For details, please see the chapter entitled ‘*Our Promoter and Promoter Group*’ on page 164 of this Prospectus.

### **Capital raising activities through equity or debt**

As on March 31, 2014, our Company had 56 members. For details regarding our debt capital, please see the chapter entitled ‘*Financial Indebtedness*’ and regarding our equity capital, please see the chapter entitled ‘*Capital Structure*’ on pages 183 and 60, respectively, of this Prospectus.

### **Our Shareholders**

For details regarding our shareholders, please see the chapter entitled ‘*Capital Structure*’ on page 60 of this Prospectus.

### **Major events of our Company**

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

| <b>Year</b> | <b>Particulars</b>                                                                           |
|-------------|----------------------------------------------------------------------------------------------|
| 1997        | Brooke Bond (India) Limited acquires a 23% stake                                             |
| 1998        | Operations commence in 10 temperature controlled warehouses across India                     |
| 2001        | Mitsubishi Corporation and Mitsubishi Logistics Corporation jointly acquire a majority stake |
| 2004        | Nichirei Logistics Group Inc. (Japan), acquires a 15% stake                                  |

| Year | Particulars                                                                                                                                                                                                                                                                          |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2006 | GDL acquires majority stake by acquiring 6,861,000 equity shares from Amalgam Foods Limited's and by subscribing to fresh shares                                                                                                                                                     |
| 2008 | Our temperature controlled warehouses get ISO 22000 (Food Safety Policy) certification                                                                                                                                                                                               |
| 2009 | Implementation of a new enterprise resource planning system                                                                                                                                                                                                                          |
| 2010 | <ul style="list-style-type: none"> <li>• IFC acquires a 20% stake</li> <li>• Certain temperature controlled warehouses received ISO 14001 (Environmental Safety Policy) certification</li> </ul>                                                                                     |
| 2011 | <ul style="list-style-type: none"> <li>• Expansion of our operations in major cities such as Mumbai, Bengaluru and Chennai</li> <li>• Set up our Mevalurkuppam, (near Chennai) and Bengaluru warehouses.</li> </ul>                                                                  |
| 2012 | Set up our Taloja (near Mumbai) warehouse.                                                                                                                                                                                                                                           |
| 2013 | <ul style="list-style-type: none"> <li>• NVP acquired 14.28% stake</li> <li>• Set up our Chennai, Bengaluru, Visakhapatnam, Taloja (near Mumbai), Mulshi (near Pune) and Palwal (near Delhi) warehouses.</li> <li>• GDL acquires 5,142,500 shares in our Company from IFC</li> </ul> |
| 2014 | GDL acquires 7,400,000 shares in our Company from Nichirei Logistics Group Inc. to increase its stake to 54.06%                                                                                                                                                                      |

Below are the brief details of the share purchase agreements entered into by our Promoter for share in Our Company:

| Date of purchase / subscription | Purchaser                      | Seller                 | Price per share (in ₹) | No. of shares | Basis of valuation                                                                                                                                                                                                   |
|---------------------------------|--------------------------------|------------------------|------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| November 22, 2006               | GDL                            | Amalgam Foods Limited  | 17.50                  | 6,861,000     | NA                                                                                                                                                                                                                   |
| March 23, 2007                  | Laguna International Pte. Ltd. | GDL                    | 10.50                  | 952,381       | The valuation of the shares transferred by GDL was based on the average of the NAV per equity share and the profit earning capacity per equity share, in accordance with the erstwhile foreign exchange regulations. |
| December 17, 2009               | GDL                            | Mitsubishi Corporation | 8.50                   | 13,413,000    | The valuation of the shares acquired by GDL was based on the average of the NAV per equity share and the profit earning capacity per                                                                                 |

| Date of purchase / subscription | Purchaser | Seller                        | Price per share (in ₹) | No. of shares | Basis of valuation                                                                                                                                                                                                                      |
|---------------------------------|-----------|-------------------------------|------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 |           |                               |                        |               | equity share, in accordance with the erstwhile foreign exchange regulations.                                                                                                                                                            |
| May 25, 2012                    | GDL       | Amalgam Foods Limited         | 18.00                  | 1,000,000     | NA                                                                                                                                                                                                                                      |
| August 2, 2013                  | GDL       | IFC                           | 35                     | 5,142,500     | The valuation of the shares acquired by GDL, as set out in the valuation report by T Ramachandran & Co, Chartered Accountants, was computed using the discounted cash flow method in line with the extant foreign exchange regulations. |
| March 11, 2014                  | GDL       | Nichirei Logistics Group Inc. | 35                     | 7,400,000     | The valuation of the shares acquired by GDL, as set out in the valuation report by T Ramachandran & Co., Chartered Accountants, is computed using the discounted cash flow method in line with the extant foreign exchange regulations. |

#### Our Business

For details in relation to our Business, please see the chapter entitled ‘Our Business’ on page 115 of this

Prospectus.

#### **Injunction or restraining order**

Our Company is under no injunction or restraining order.

#### **Time and Cost Overruns**

The nature of our Company's business does not include implementation of projects and therefore our Company believes there have been no time and cost overruns in the implementation of our projects.

#### **Lock-out, Strikes etc.**

There have been no lock-outs, strikes etc. during the last five years preceding the date of this Prospectus.

#### **Technology and market competence**

For details on the technology and market competence of our Company, please see the chapter entitled '*Our Business*' on page 115 of this Prospectus.

#### **Defaults or Rescheduling of borrowings with financial institutions/ banks**

There have been no defaults or rescheduling of borrowings with the financial institutions / banks.

#### **Revaluation of Assets**

Our Company has not revalued its assets since incorporation.

#### **Competition**

For details on the competition faced by our Company, please see the chapter entitled '*Our Business*' on page 115 of this Prospectus.

#### **Our Subsidiaries and Joint Ventures**

Our Company does not have any subsidiaries or joint ventures.

#### **Acquisitions of business / undertakings**

Our Company has neither acquired any entity nor been involved in any scheme of arrangement.

#### **Changes in the activities of Our Company during the last five years**

There have been no changes in the activities undertaken by our Company during a period of five (5) years prior to the date of filing of this Prospectus which may have had a material effect on the profits or loss of our Company or affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **Financial and Strategic Partners**

Our Company does not have any financial and strategic partners.

#### **Summary of key agreements**

##### **Shareholders' Agreement**

Our Promoter and certain other shareholders have entered into a Shareholders' Agreement with respect to our Company on June 14, 2013. The details of the Shareholders' Agreement are given below.

An agreement was entered into amongst our Company, our Promoter, Mitsubishi Corporation (**MC**), Nichirei Logistics Group Inc. (**Nichirei**), Mitsubishi Logistics Corporation (**MLC**) (collectively, **Existing Shareholders**), IFC and NVP as of June 14, 2013.

Capitalised terms used in the below terms have the meaning ascribed to them in the Shareholders' Agreement.

The salient terms of the Shareholders' Agreement, in brief is set out below:

- i. The board of our Company should consist of not more than 12 directors. Our Promoter and MC have the right to nominate directors on the Board of our Company. So long as IFC holds 5% of our Company's equity share capital, it has a right to appoint one director, and if our Company fails to conduct a public offering by March 31, 2016, two directors on the Board of our Company. If an initial public offering of shares has not taken place on or by June 30, 2014 at ₹35 a share, NVP has the right to appoint a director on the Board of our Company so long as it has at least 7% shareholding. At least two independent directors are to be nominated by the Existing Shareholders in consultation with IFC and NVP.

The rights to appoint directors on the Board will cease prior to the listing of the equity shares pursuant to this Issue.

- ii. Prior to a public offering, to make decisions or take actions relating to approval or amendment to Business Plan, budget or the Project Implementation Plan of our Company, the Board or the committee will require affirmative vote of at least 75% of the directors on the Board.
- iii. The Board cannot delegate passing of a resolution on any matter listed in the Specified Matters set out in Schedule 2 Part A of the agreement to any committee. Such resolutions may only be passed by the Board in a meeting of at least one third of its total strength. This limitation of the Board will cease prior to the listing of the equity shares pursuant to this Issue.
- iv. The Board cannot pass a resolution pertaining to matters set out in Schedule 2 Part B of the Shareholders' Agreement without the prior written consent of IFC. The Board cannot pass a resolution pertaining to the matters set out in Schedule 2 Part C of the Shareholders' Agreement without the prior written consent of NVP. However, the right of veto of both IFC and NVP will cease prior to the listing of the equity shares pursuant to this Issue.
- v. Our Company has to indemnify its Directors to the maximum permissible extent under applicable law. IFC has the right to cause our Company to obtain and maintain directors' and officers' liability insurance cover and such other insurance policies as are customarily required for the business.
- vi. IFC has the right to most investor favourable terms offered by our Company.
- vii. Our Promoter has an obligation to maintain a minimum shareholding of 40% in our Company. Pursuant to our Company completing a public offering of its shares, our Promoter has to maintain a minimum shareholding of 26% in our Company for a period of 24 months.
- viii. IFC has the right to tag its shares to a transfer by our Promoter where the transfer would result in our Promoter holding less than 51% shareholding in our Company. This right will terminate upon completion of a public issue by our Company.
- ix. IFC has a right to sell its shares to any person freely subject to our Company and our Promoter's right of first refusal.
- x. NVP has a right to sell its shares to any person except a person engaged in competing business freely subject to our Company and our Promoter's right of first refusal. The restrictions will cease prior to the listing of the equity shares pursuant to this Issue.
- xi. MC has the right to transfer its shares to a third party subject to a right of first refusal to be given to our Promoter.
- xii. Our Company has to use its best efforts to achieve an underwritten initial public offering of shares before 1 April 2016, failing which IFC has the right to cause our Company to make a public offering or undertake a preferential allotment. In the event our Company fails to make a public offering of its shares before July 5, 2018, NVP also has the right to cause our Company to make a public offering wherein the price per share offered to qualified institutional buyers represents an IRR of at least 15%.
- xiii. NVP has the option to be an Anchor Investor in public offering of our Company's shares.
- xiv. On failure of our Company to achieve a public offering, IFC has the option to exit our Company by giving notice to our Company and our Promoter the number of shares it wishes to sell. Our Company and our Promoter, within 15 days of such notice, purchase all shares offered by IFC, or cause buy back of shares to

the extent possible under applicable law. In the event that our Company and our Promoter do not respond within such period, IFC has the right to cause our Company to buy-back shares or require our Promoter to purchase its share or drag along our Promoter's shares up to 15% of the total capital in a sale to a third party or a combination of these options.

- xv. If our Company fails to complete a public offering by June 30, 2014 NVP has the right to tag its shares to a transfer by our Promoter where the transfer would be of 90% or more of the shareholding held by our Promoter. Notice of such transfer is required to be given to NVP at least 30 days prior to the proposed date of closing of any such transfer. In the event that our Promoter does not complete the transfer within 30 days after the expiry of NVP's exercise period, NVP has the right to tag along in any subsequent transfer by our Promoter. NVP also has the right to cause our Company to buy-back shares or require our Promoter to purchase its share or drag along our Promoter's shares up to 15% of the total capital in a sale to a third party or a combination of these options. This right of NVP will terminate on our Company achieving a public offering.
- xvi. MC has the right, along with Nichirei Logistics Group Inc. and MLC to attend all meetings between our Promoter and the buyer where our Promoter proposes to transfer its shares resulting in our Promoter having less than 51% shareholding in our Company. MC, MLC and Nichirei have the right to tag along its shares to the transfer if IFC does not exercise its option to tag along, or after the satisfaction of IFC's right to tag along. Each of MC, MLC and Nichirei has the right to cause our Company to buy back its shares along with the other at a token consideration of approximately USD 1.
- xvii. With prior notice, IFC and NVP have the right to inspect our Company's premises, sites, facilities, plants and equipment, books of accounts and all records and have access to employees, agents, contractors and subcontractors who may have knowledge of matters in respect of which information is sought.
- xviii. IFC has the right to receive within 90 days after the end of every financial year, the Annual Monitoring Report confirming compliance or identifying non-compliance of our Company with the Action Plan, the social and environmental covenants of the shareholders agreement and applicable law. IFC has the right to receive information with regard to any social, labour, health and safety, security or environmental incident, accident or circumstance that could reasonably impact the operations of our Company within 3 days of such incident.
- xix. Our Company has to furnish true and fair accounts of business and activities along with supporting documents and information to our Promoter, Nichirei Logistics Group Inc., MC and MLC within 45 days after the end of each quarter.
- xx. Pursuant to the agreement, our Company cannot issue shares to any person unless such person agrees to become party to this agreement.
- xxi. In the event of an underwritten offering, where the manager advises our Company to offer limited shares owing to market conditions, IFC has the right to have all its shares included in the offering on the same terms and conditions as to apply to our Company, subject only to shares being sold on our Company's own account.
- xxii. Our Promoter has the right of first refusal to shares being transferred by MC to any person other than an affiliate. In the event that our Promoter agrees to purchase MC's shares, notice of its offer has to be given to MC within 60 days. If MC accepts the offer, the sale must be completed within 60 days of such notice and if not accepted within 30 days, MC may transfer such shares to a third party for a price higher than that offered by our Promoter.
- xxiii. Our Promoter has an obligation to ensure that neither our Promoter nor its affiliates undertake any business activity related to temperature controlled logistics in the country other than through our Company except with respect to the business of transportation of goods by Gateway Rail Freight Limited (**GRFL**) by refrigerated container trains and any activity undertaken by our Promoter or GRFL that is incidental to their respective business.
- xxiv. MC has an obligation to refrain its Logistics Service Division of Industrial Finance, Logistics & Development Group from undertaking competing business for three years from the agreement or where MC, MLC and Nichirei Logistics Group Inc. jointly hold over 25%, till the date of the QPO.

- xxv. In addition to the above, IFC, NVP and MC have the right to receive certain specified information such as unaudited financial statements and Business Plan and budget of our Company provided that such information is not price sensitive information, unless the same has been publicly disclosed.

GDL has, by its letter dated August 26, 2013, agreed that the special rights held by them in our Company shall terminate, and such special rights will be deleted from the Articles of Association, prior to our making an application for final listing and trading approvals.

Each MC and MLC have, by their letters dated August 27, 2013, agreed that the special rights held by these entities in our Company shall terminate, and such special rights will be deleted from the Articles of Association, prior to our making an application for final listing and trading approvals.

Each NVP and Nichirei Logistics Group Inc. have, by their letters dated August 28, 2013, agreed that the special rights held by these entities in our Company shall terminate, and such special rights will be deleted from the Articles of Association, prior to our making an application for final listing and trading approvals.

IFC, has by its letter dated August 29, 2013, agreed that the special rights held by it in our Company shall terminate, and such special rights will be deleted from the Articles of Association, prior to our making an application for final listing and trading approvals.

GDL on March 11, 2014 acquired 7,400,000 shares in our Company from Nichirei Logistics Group Inc. pursuant to a Share Sale Agreement entered into on August 29, 2013. Nichirei no longer holds any shares in our Company.

## OUR MANAGEMENT

### Board of Directors

Under the Articles of Association our Company is required to have not more than twelve Directors. As on the date of this Prospectus, our Board comprises of eight Directors.

The following table sets forth details of our Board as of the date of filing this Prospectus.

| S. No. | Name, Designation, Address, Nationality, Term, Occupation and DIN                                                                                                                                            | Age (years) | Date of appointment | Other Directorships                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Mr. Gopinath Pillai<br>Designation: Chairman<br>Address: 67, Hua Guan Avenue<br>Singapore, 589163<br>Nationality: Singaporean<br>Term: Liable to retire by rotation<br>Occupation: Business<br>DIN: 00268337 | 77          | November 22, 2006   | <p><b>Incorporated in Singapore</b></p> <ol style="list-style-type: none"> <li>1. Windmill International Pte. Limited</li> <li>2. Savant Infocomm Pte. Limited</li> <li>3. KSP Investments Pte. Limited</li> <li>4. Savant Infotech Solutions Pte. Limited</li> <li>5. Little India Arcade Pte. Limited</li> <li>6. Edutech Investments (India) Pte. Limited</li> <li>7. Eastcom Systems Pte. Limited</li> <li>8. Manquist Holdings Pte. Limited</li> <li>9. Tourmasters Pte. Limited</li> <li>10. Tourmasters (GSA) Pte. Limited</li> <li>11. Infocom Technologies &amp; Education Pte. Limited</li> <li>12. Playware Studios Asia Pte. Limited</li> <li>13. Ang Mo Kio- Thye Hua Kwan Hospital Limited</li> <li>14. Jurong International Holdings Pte. Limited</li> </ol> <p><b>Incorporated in India</b></p> <ol style="list-style-type: none"> <li>15. Gateway Distriparks Limited</li> <li>16. Gateway East India Private Limited</li> <li>17. Gateway Distriparks (South) Private Limited</li> <li>18. Gateway Rail Freight Limited</li> <li>19. Gateway Distriparks (Kerala) Limited</li> <li>20. Chandra CFS and Terminal Operators Private Limited</li> </ol> <p><b>Incorporated in Mauritius</b></p> <ol style="list-style-type: none"> <li>21. KSP Holdings Limited</li> <li>22. Edutech Holdings (India)</li> </ol> |

| S. No. | Name, Designation, Address, Nationality, Term, Occupation and DIN                                                                                                                                                                                                                                    | Age (years) | Date of appointment | Other Directorships                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                                                                                                                                                                                                                      |             |                     | <p>Limited</p> <p>23. KSP Logistics Limited</p> <p><b>Incorporated in the UK</b></p> <p>24. AEC Education Plc</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2.     | <p>Mr. Prem Kishan Dass Gupta</p> <p>Designation: Vice Chairman and Director</p> <p>Address: 94, Sainik Farm Khanpur, New Delhi 110062, India</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation</p> <p>Occupation: Business</p> <p>DIN: 00011670</p>                              | 56          | November 22, 2006   | <p><b>Incorporated in India</b></p> <ol style="list-style-type: none"> <li>Gateway Distriparks Limited</li> <li>Gateway East India Private Limited</li> <li>Gateway Distriparks (South) Private Limited</li> <li>Gateway Rail Freight Limited</li> <li>Gateway Distriparks (Kerala) Limited</li> <li>Chandra CFS and Terminal Operators Private Limited</li> <li>Massco Media Private Limited</li> <li>Perfect Communications Private Limited</li> <li>Prism International Private Limited</li> <li>Star Cineplex Private Limited</li> <li>Prima Soft Tissues Private Limited</li> <li>Prestige Infracon Private Limited</li> </ol> |
| 3.     | <p>Mr. Shabbir Hakimuddin Hassanbhai</p> <p>Designation: Independent Director</p> <p>Address: 36, Keppel Bay Drive #05-78, Caribbean At Keppel Bay Singapore, 098653</p> <p>Nationality: Singaporean</p> <p>Term: Liable to retire by rotation*</p> <p>Occupation: Business</p> <p>DIN: 00268133</p> | 68          | November 22, 2006   | <p><b>Incorporated in Singapore</b></p> <ol style="list-style-type: none"> <li>Indo Straits Trading Co. (Pte.) Limited</li> <li>Hassanbhai Realty Pte. Limited</li> <li>Zee Chin &amp; Co Pte. Limited</li> <li>Hakimuddin &amp; Sons Pte. Limited</li> <li>Premier Travels (GSA) Pte. Limited</li> <li>Singapore Business Advisors and Consultants Council Limited</li> <li>Intraco Limited</li> </ol> <p><b>Incorporated in India</b></p> <ol style="list-style-type: none"> <li>Gateway Distriparks Limited</li> <li>Gateway Distriparks (South) Private Limited</li> <li>Gateway East India Private Limited</li> </ol>          |

| S. No. | Name, Designation, Address, Nationality, Term, Occupation and DIN                                                                                                                                                                                                                      | Age (years) | Date of appointment | Other Directorships                                                                                                                                                                                                                                                                                                                                                                                 |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                                                                                                                                                                                                        |             |                     | 11. Gateway Rail Freight Limited<br>12. Chandra CFS and Terminal Operators Private Limited<br><br><b>Incorporated in United Arab Emirates</b><br><br>13. Al Badawi General Trading LLC                                                                                                                                                                                                              |
| 4.     | Mr. Saroosh Cowasjee Dinshaw<br>Designation: Independent Director<br>Address: Adenwalla Baug, Tardeo Mumbai 400007, Maharashtra India<br>Nationality: Indian<br>Term: Liable to retire by rotation*<br>Occupation: Business<br>DIN: 00034110                                           | 44          | November 22, 2006   | <b>Incorporated in India</b><br><br>1. Gateway Distriparks Limited<br>2. Cowasjee Dinshaw and Sons Private Limited<br>3. United Salt Works and Industries Limited<br>4. The Zoroastrian Co-operative Bank Limited                                                                                                                                                                                   |
| 5.     | Mr. Kannan Ravindran Naidu<br>Designation: Wholetime Director and CEO<br>Address: 604, 6 <sup>th</sup> Floor, SPRUCE G Block Raheja Residency Koramangala, Bengaluru 560034 Karnataka, India<br>Nationality: Indian<br>Term: Upto May 10, 2017<br>Occupation: Service<br>DIN: 02813755 | 55          | September 30, 2009  | NIL                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6.     | Mr. Michael Philip Pinto<br>Designation: Independent Director<br>Address: 405, Shalaka, Maharshi Karve Road, Mumbai 400021 Maharashtra, India<br>Nationality: Indian<br>Term: Liable to retire by rotation*<br>Occupation: Business<br>DIN: 00021565                                   | 71          | May 8, 2013         | <b>Incorporated in India</b><br><br>1. Gateway Distriparks Limited<br>2. Star Paper Mills<br>3. Infrastructure Leasing & Financial Services Limited<br>4. Gateway Distriparks (Kerala) Limited<br>5. Ashoka Buildcon Limited<br>6. SCI Forbes Limited<br>7. Tolani Shipping Company Limited<br>8. Principal Trustee Company Private Limited<br>9. Essar Ports Limited<br>10. Essar Shipping Limited |
| 7.     | Mr. Masakazu Sakakida<br>Designation: Director<br>Address: 13, Panchsheel Marg Chanakya Puri, New Delhi 110021 India<br>Nationality: Japanese<br>Term: Liable to retire by rotation                                                                                                    | 56          | March 20, 2013      | <b>Incorporated in India</b><br><br>1. Mitsubishi Corporation India Private Limited<br>2. MC Craft Machinery Private Limited<br>3. Asahi Glass India Limited                                                                                                                                                                                                                                        |

| S. No. | Name, Designation, Address, Nationality, Term, Occupation and DIN                                                                                                                                                                                                                       | Age (years) | Date of appointment | Other Directorships                                                                                                                                                                                                              |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | Occupation: Service<br>DIN: 06505056                                                                                                                                                                                                                                                    |             |                     |                                                                                                                                                                                                                                  |
| 8.     | Mr. Alwarthirunagari Kuppuswamy<br>Thiruvankata Chari<br>Designation: Independent Director<br>Address: 181-A, Twin Towers<br>Prabhadevi, Mumbai 400025<br>Maharashtra, India<br>Nationality: Indian<br>Term: Liable to retire by rotation*<br>Occupation: Professional<br>DIN: 00746153 | 74          | August 1, 2013      | <b>Incorporated in India</b><br><br>1. Infrastructure Development Corporation (Karnataka) Limited<br>2. Feedback Infra Private Limited<br>3. HDFC Pension Management Company Limited<br>4. Mahindra EPC Services Private Limited |

*\*In accordance with the proviso to section 149(11) of the Companies Act, the Independent Directors on the Board of our Company shall continue as Directors until the date on which they are liable to retire by rotation. Thereafter, the term of appointment of any independent director appointed on our Board shall be in accordance with section 149(10) of the Companies Act read with section 152(6) of the Companies Act.*

None of the Directors of our Company are related to each other.

Except for Mr. Masakazu Sakakida who is the nominee of Mitsubishi Corporation, there are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of our Directors were selected as a Director.

Persons designated as 'Independent Directors' are independent as per the requirements of Section 149 of the Companies Act and Clause 49 of the Listing Agreement.

### Brief Biographies

**Mr. Gopinath Pillai**, aged 77, is our Chairman. He is the Chairman of Gateway Distriparks Limited, the Executive Chairman of Savant Infocomm Pte. Limited and is also on the board of various companies in India and Singapore. He has experience in areas of finance, industry and trading. He has worked as the Chairman of the largest supermarket chain in Singapore for a period of 10 years and as the General Manager of a Singapore Government Trading Company, Intraco Limited and as Chairman of its warehousing subsidiary. He is, currently, designated as Ambassador at large of the Government of Singapore. In 2012, the Government of India honoured Mr. Pillai with the Padma Shri (India's fourth highest civilian award) in the trade and industry category.

**Mr. Prem Kishan Dass Gupta**, aged 56, is our Vice Chairman and a Director. He is the Deputy Chairman and Managing Director of Gateway Distriparks Limited and the Chairman and Managing Director of Gateway Rail Freight Limited. He holds a Bachelor's degree in Science from the University of Delhi. He has been in the business of trading in newsprint for more than three decades. He represents newsprint manufacturers in the USA, Canada and Europe with strong tie-ups in South East Asia.

**Mr. Shabbir Hakimuddin Hassanbhai**, age 68 years is a resident of Singapore. He is a Chartered Accountant and has a business experience of more than 40 years in international trade. He holds senior level positions in listed and unlisted companies in Singapore, UAE and Oman and worked previously in Oregon, USA in the warehousing and distribution of wood products. He is currently an independent Director in Gateway Distriparks Limited and its subsidiaries, India. He sits on several non-business organizations in Singapore among which include Vice Chairman of the Singapore Business Federation, Chairman of the Singapore-Africa Business Group, Chairman of the Middle East Business Group and Vice President of Singapore Indian Development Association (SINDA). He is also Singapore's non-resident High Commissioner to The Federal Republic of Nigeria.

**Mr. Saroosh Cowasjee Dinshaw**, aged 44, is an Independent Director on our Board and the board of Gateway Distriparks Limited. He holds Bachelor of Commerce and LL.B. from the University of Bombay and holds a Master's degree in Business Administration from the Texas Christian University. He is also a member of the Audit Committee and the Investor Relations Committee of Gateway Distriparks Limited. He has over 8 (eight) years of experience in the logistics businesses.

**Mr. Kannan Ravindran Naidu**, aged 55, is a Wholetime Director on our Board and is our Chief Executive Officer. He joined our Company on February 15, 2007. He is a Bachelor of Commerce from the University of Bombay. He also holds a Master's degree in Computer Application. He has over 18 years of experience in the multi-modal and supply chain industry. Prior to joining our Company, he has worked in India and abroad setting up supply chain and retail ventures.

**Mr. Michael Philip Pinto**, aged 71, a retired member of the Indian Administrative Services, is an Independent Director on our Board. He is a political science graduate and holds a Master's degree in sociology. He also has a Master's degree in public administration from Harvard University. As an IAS officer, he held various senior positions such as Vice-Chairman & Managing Director, Maharashtra State Road Transport Corporation, Managing Director, Maharashtra State Finance Corporation, Chairman, Maharashtra State Electricity Board, Director General (Shipping) for the Government of India and Chairman, Jawaharlal Nehru Port Trust.

**Mr. Masakazu Sakakida**, aged 56, is a director on our Board. He holds a Bachelor's degree in Engineering from the University of Tokyo, Japan. He is the Senior Vice President at Mitsubishi Corporation, Japan and has been associated with Mitsubishi Corporation since April 1981 and has held several positions. Mr. Sakakida is currently the Chairman & Managing Director of Mitsubishi Corporation India Private Limited.

**Mr. Alwarthirunagari Kuppuswamy Thiruvengkata Chari**, aged 74, is an Independent Director on our Board. Mr. Chari holds a degree in Electrical Engineering from the University of Madras, India. He has over 35 years of experience in area of financial services. He previously held the position of Chief General Manager/Adviser in Industrial Development Bank of India (IDBI), where he handled project finance activities of the institution in various industrial and infrastructure sectors. Later he worked as Chief Operations Officer/Executive Director/Head Project Finance in IDFC, where he was engaged in financing infrastructure projects, in multiple sectors. At present, he is an advisor to IDFC.

#### **Further Confirmations**

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

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

#### *Other Benefits*

#### **Compensation of our Wholetime Director**

Mr. Kannan Ravindran Naidu, our Wholetime Director is also the CEO of our Company. He is entitled to a gross monthly salary of ₹0.69 million. The break-up of his compensation is as follows:

Basic: ₹0.26 million per month  
House Rent Allowance: ₹0.07 million per month  
Child Education: ₹0.002 million per month  
Special Allowance: ₹0.36 million

He is also entitled to Leave Travel Allowance of up to ₹0.26 million per annum, medical expenses of up to ₹0.02 million per annum, food coupons up to ₹0.09 million per annum, entertainment allowance of up to ₹0.04

million, a contribution of up to 12% of his basic salary per month to the provident fund and ex gratia of ₹0.22 million.

During Fiscal 2014, Mr. Kannan Ravindran Naidu was paid a gross compensation of ₹9.13 million.

### **Service Agreements with Directors**

Our Company has not entered into any services contracts with any of our Directors for providing any benefit upon termination of employment.

### **Remuneration to Non-Executive Directors**

Except as disclosed in this Prospectus, none of the beneficiaries of loans, advances and sundry debtors are related to our Directors. No sitting fee has been paid to the Directors of our Company in the earlier financial years.

Our Company has no associate companies, and, consequently, no remuneration was payable or paid to our Directors by such companies.

### **Shareholding of Directors**

Except as stated below, none of our Directors hold any Equity Shares as on the date of this Prospectus.

| <b>Sr. No.</b> | <b>Name</b>                       | <b>No. of shares</b> | <b>Percentage holding</b> |
|----------------|-----------------------------------|----------------------|---------------------------|
| 1.             | Mr. Prem Kishan Dass Gupta        | 4,40,000             | 0.35%                     |
| 2.             | Mr. Gopinath Pillai               | 4,40,000             | 0.35%                     |
| 3.             | Mr. Shabbir Hakimuddin Hassanbhai | 2,20,000             | 0.18%                     |
| 4.             | Mr. Saroosh Cowasjee Dinshaw      | 1,20,000             | 0.10%                     |
| 5.             | Mr. Kannan Ravindran Naidu        | 2,50,000             | 0.20%                     |
| 6.             | Mr. Michael Philip Pinto          | 25,000               | 0.02%                     |

Our Company has no associate companies, and, consequently, none of our Directors holds any shares in such companies.

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

### **Borrowing Powers of the Board**

At present, our Company's borrowings are within the limits prescribed by the Companies Act. In the event our Company proposes to borrow sums in excess of such limits prescribed by the Companies Act, we will be required to obtain the consent of our shareholders through a special resolution.

Pursuant to a resolution passed by the shareholders of our Company on February 24, 2014, the Board is authorised to create such fixed or floating charges, liens, mortgages, hypothecations or other encumbrances over the whole or any part of the undertaking, property or assets of our Company in favour of the existing and future lenders, including banks, financial institutions and other persons/ bodies corporate on all or any of the movable and/or immovable properties of our Company both present and future of every nature and/r or immovable properties of our Company both present and future of every nature and kind whatsoever to secure the current and future borrowings up to an aggregate amount of ₹1,980.00 million or the aggregate of the paid up capital and free reserves of our Company, whichever is higher.

## **Corporate Governance**

The provisions of the Equity Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares of our Company on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance, including the Equity Listing Agreement to be entered into with the Stock Exchanges and the SEBI ICDR Regulations, including constitution of the Board and committees thereof. The corporate governance framework is based on an effective, independent Board and a separation of the supervisory role of the Board from the executive management aspect.

Currently, the Board has 8 (eight) Directors, of which the Chairman is a non-executive Director who is related to the Promoter. In compliance with the requirements of Clause 49 of the Equity Listing Agreement, our Company has four Independent Directors, on the Board.

### **Committees of the Board**

The Board has constituted committees of Directors, including, (i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Stakeholders Relationship Committee, (iv) IPO Committee and (v) CSR Committee. The details of these committees as set out below:

#### ***Audit Committee***

The members of the Audit Committee are:

1. Mr. Shabbir Hakimuddin Hassanbhai – Chairman of the Committee – Independent Director;
2. Mr. Saroosh Cowasjee Dinshaw – Independent Director;
3. Mr. Michael Philip Pinto – Independent Director; and
4. Mr. Kannan Ravindran Naidu –Wholetime Director and CEO.

The Audit Committee was constituted by a resolution passed by the Board of Directors in its meeting held on March 9, 2001. The terms of reference of the Audit Committee was revised by a resolution adopted by the Board dated April 30, 2014. The purpose of the audit committee is to ensure objectivity and credibility and correctness of our Company's financial reporting and disclosure processes, internal controls of risk management policies and processes, tax policies, compliance and legal requirements and associated matters. 3/4<sup>th</sup> of the members of the Audit Committee are Independent Directors.

The terms of reference of the Audit Committee are as follows:

- a. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Discuss with the 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.
- c. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- d. Regular review of accounts, changes in accounting policies and reasons for the same etc.
- e. Review of the major accounting entries, based on exercise of judgment by management and
- f. Review of significant adjustments arising out of audit.
- g. Review of qualifications in the draft audit report.
- h. Examination of the financial statements and auditors report thereon.

- i. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
- j. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc) the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- k. The Committee shall have post audit discussions with the independent auditors to ascertain any area of concern.
- l. Establishing the scope and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems, evaluation of internal financial controls and risk management systems.
- m. Review 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 and reporting structure coverage.
- n. To look into the matters pertaining to the Director's Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
- o. Review, with the management, prior to submission to the board for approval, disclosure of any related party transactions, or any subsequent modification of transactions of our Company with related parties.
- p. Scrutiny of inter-corporate loans and investments.
- q. Valuation of undertakings or assets of our Company, wherever it is necessary.
- r. Compliance with Stock Exchange and other legal requirements concerning financial statements, to the extent applicable.
- s. Review, with the management, performance of statutory and internal auditors.
- t. Recommending to the Board the Appointment, terms of appointment, reappointment, replacement or removal and fixing of audit fees of statutory auditors and internal auditors.
- u. Approval of payment to the statutory auditors for any other services rendered by them.
- v. Look into the reasons for substantial defaults in the payment to the depositories, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- w. Approval of appointment of Chief Financial Officer (i.e. the whole time-time Finance Director of any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc of the candidate.
- x. Look into the functioning of the Whistle Blower mechanism.
- y. Monitoring the end use of funds raised through public offers and related matters.
- z. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee.

#### ***Nomination and Remuneration Committee***

The members of the Nomination and Remuneration Committee are:

1. Mr. Gopinath Pillai – Chairman;
2. Mr. Shabbir Hakimuddin Hassanbhai – Independent Director;
3. Mr. Saroosh Cowasjee Dinshaw – Independent Director;
4. Mr. Alwarthirunagari Kuppuswamy Thiruvenkata Chari – Independent Director; and
5. Mr. Kannan Ravindran Naidu – Wholetime Director and CEO.

The committee was reconstituted as the Compensation Committee by a resolution passed by the Board of Directors in its meeting held on August 1, 2013. The Committee was renamed as the Nomination and Remuneration Committee and terms of reference were revised by a resolution passed by the Board of Directors in its meeting held on April 30, 2014. The terms of reference to the Nomination and Remuneration Committee are for implementation, administration and superintendence of the ESOP Schemes and formulate the detailed terms and conditions of the ESOP Scheme, including but not limited to:

- a. The specific employees who would be granted options under the ESOP Scheme.
- b. The quantum of options to be granted under an ESOP Scheme per employee and in aggregate.
- c. The conditions, matrix and criteria under which options vested in employees may lapse in case of termination of employment for misconduct.
- d. The vesting period with respect to the options.
- e. The vesting percentage for each grantee.
- f. The exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
- g. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
- h. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
- i. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the compensation committee:
  - (i) the number and the price of ESOS shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action
  - (ii) for this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.
  - (iii) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders.
- j. The grant, vest and exercise of option in case of employees who are on long leave;
- k. The procedure for cashless exercise of options; and
- l. To identify persons who are qualified to become directors and 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.

#### ***Stakeholders Relationship Committee***

The members of the Stakeholders Relationship Committee are:

1. Mr. Prem Kishan Dass Gupta – Vice Chairman and Director;
2. Mr. Saroosh Cowasjee Dinshaw – Independent Director;
3. Mr. Michael Philip Pinto – Independent Director; and
4. Mr. Kannan Ravindran Naidu – Wholetime Director and CEO.

The committee was constituted as the Share Allotment, Transfer and Investor Grievance Committee by a resolution passed by the Board of Directors in its meeting held on June 14, 2013. The committee was renamed as the Stakeholders Relationship Committee by a resolution passed by the Board of Directors in its meeting held on April 30, 2014. The terms of reference of the Stakeholders Relationship Committee are:

- a. Issue and allot shares subject to the provisions of the Section 75 of the Act and subject to the Memorandum and Articles of Association of our Company and in accordance with the Companies (Issue of Share Certificates) Rules, 1960;
- b. To transfer, transposition and transmission of securities;
- c. To consider and approve, split consolidation and duplication of shares or other securities;
- d. To approve dematerialization and rematerialization of shares;
- e. To seek any information it requires from the employees, Directors of our Company in order to perform its functions;
- f. To do all such other things as are necessary thereto pursuant to and in accordance with the ESOP Scheme and the decision of the Board;
- g. Investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interest, non receipt of balance sheet etc in particular; and
- h. Such other matters as may be, from time to time, required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### ***IPO Committee***

The members of the IPO Committee are:

1. Mr. Gopinath Pillai – Chairman
2. Mr. Prem Kishan Dass Gupta – Vice Chairman and Director;
3. Mr. Shabbir Hakimuddin Hassanbhai – Independent Director;
4. Mr. Saroosh Cowasjee Dinshaw – Independent Director; and
5. Mr. Kannan Ravindran Naidu – Wholetime Director and CEO.

The IPO Committee was reconstituted by a resolution passed by the Board of Directors in its meeting held on November 5, 2012. The terms of reference of the IPO Committee are:

- a. Approval of the restated financial information;
- b. Finalise and make necessary alterations, amendments, modifications towards finalisation of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus;
- c. Filing the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus;
- d. Decide on the timing and all terms and conditions of the Issue including the price band, the price, the amount to be paid on application, allotment, calls and interest to be charged on calls in arrears, as may be deemed appropriate subject to the approval of the concerned authority(ies), if and to the extent necessary and to accept any amendments, modifications, variations or alterations thereto;
- e. Finalise the opening and closing date(s) including earliest closing date of the Issue;

- f. Decide the quantum of allotment in case of oversubscription and consider and approve applications in respect of the Issue and to allot to the subscribers whose applications have been approved, in accordance with the Companies Act, the SEBI ICDR Regulations, the Memorandum and Articles of Association of our Company and the issue document in consultation with the book running lead manager(s), the stock exchanges and other regulatory authorities to the extent necessary;
- g. Appointment of the Compliance Officer;
- h. Entering into all Issue relating agreements, including for the appointment of the Bankers to the Issue, Syndicate Bankers, and the Underwriters;
- i. Enter into agreements with advertising agency, printers, paying, transfer and conversion agents, listing agents, trustees and any other agencies or persons in relation to the Issue;
- j. Pay commissions, fees, remunerations, expenses and any other charges to the above agencies / persons and to give them such directions and instructions as it may deem fit from time to time;
- k. Responding to queries from ROC, SEBI, Depository, Stock exchanges and other regulatory bodies and also signing of necessary documents relating to the same;
- l. Make applications to one or more stock exchange(s) in India for listing of the equity shares of our Company and to execute and deliver necessary documents in connection thereto;
- m. Operate on behalf of our Company the bank account(s) that may be opened with any bank(s) in India for and in connection with the Issue; and
- n. Take all such actions and give all such directions as may be necessary and desirable and also to settle any question or difficulty or doubts that may arise in regard to the creation, offer, issue and allotment of the Equity Shares of our Company.

### **CSR Committee**

The members of the CSR Committee are:

1. Mr. Prem Kishan Dass Gupta – Vice Chairman and Director;
2. Mr. Alwarthirunagari Kuppuswamy Thiruvenkata Chari – Independent Director; and
3. Mr. Kannan Ravindran Naidu – Wholetime Director and CEO.

The CSR Committee was constituted by a resolution passed by the Board of Directors in its meeting held on April 30, 2014. The terms of reference of the CSR Committee are:

Activities relating to the following shall be taken up:

- a. promotion of education;
- b. ensuring environmental sustainability;
- c. employment enhancing vocational skills;
- d. social business projects;
- e. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- f. such other matters as may be prescribed.

## Interest of Directors

All of our Directors, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them under our Articles of Association. Our Directors, including Independent Directors, may also be regarded as interested in the Equity Shares held by the companies, firms or trust, in which they are interested as directors, members, partners or trustees.

Our Directors may also be deemed to be interested to the extent of equity shares held by them, if any, and any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated above, none of our Directors are interested in the promotion of our Company. Further, none of our Directors is directly or indirectly interested in any property acquired or proposed to be acquired by our Company in the two years preceding the date of this Prospectus or in any property proposed to be acquired by our Company.

Except as otherwise stated in the chapter entitled '*Financial Statements of our Company*' on page 180 of this Prospectus, our Company has not entered into any contract, agreements or arrangements during the two years preceding the date of this Prospectus, in which our Directors are interested directly or indirectly and no payments have been made to them in respect of such contracts, agreements or arrangements.

## Bonus or profit sharing plan for our Directors

Our Company does not have any bonus or profit sharing plan for its Directors.

## Changes in the Board

The following table details the changes in the composition of the Board in the three years preceding the date of this Prospectus.

| Name of Director                                   | Date of Change     | Nature of Change                  |
|----------------------------------------------------|--------------------|-----------------------------------|
| Mr. Alwarthirunagari Kuppuswamy Thiruvankata Chari | September 26, 2013 | Change in designation (Director)  |
| Mr. Michael Philip Pinto                           | September 26, 2013 | Change in designation (Director)  |
| Mr. Masakazu Sakakida                              | September 26, 2013 | Change in designation (Director)  |
| Mr. Alwarthirunagari Kuppuswamy Thiruvankata Chari | August 1, 2013     | Appointment (Additional Director) |
| Mr. Michael Philip Pinto                           | May 8, 2013        | Appointment (Additional Director) |
| Mr. Masakazu Sakakida                              | March 20, 2013     | Appointment (Additional Director) |
| Mr. Keiichi Nakagaki                               | March 20, 2013     | Resignation                       |
| Mr. Abraham J Tharakan                             | September 15, 2010 | Resignation                       |

Except as set out below none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI.

| S. No. | Name of the Shareholder           | No. of Equity Shares | Percentage (%) |
|--------|-----------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Limited       | 5,142,500*           | 4.15           |
| 2.     | Mr. Prem Kishan Dass Gupta        | 440,000              | 0.36           |
| 3.     | Mr. Gopinath Pillai               | 440,000              | 0.36           |
| 4.     | Mr. Sat Pal Khattar               | 440,000              | 0.36           |
| 5.     | Mr. Kirpa Ram Vij**               | 300,000              | 0.24           |
| 6.     | Mr. Shabbir Hakimuddin Hassanbhai | 220,000              | 0.18           |

|     |                                            |         |      |
|-----|--------------------------------------------|---------|------|
| 7.  | Mr. Karangalpadi Jathindra Mohan Shetty*** | 200,000 | 0.16 |
| 8.  | Mr. Saroosh Cowasjee Dinshaw               | 120,000 | 0.10 |
| 9.  | Mr. Ishaan Gupta                           | 35,000  | 0.03 |
| 10. | Mr. Michael Philip Pinto                   | 25,000  | 0.02 |
| 11. | Mr. Arun Agrawal                           | 20,000  | 0.02 |

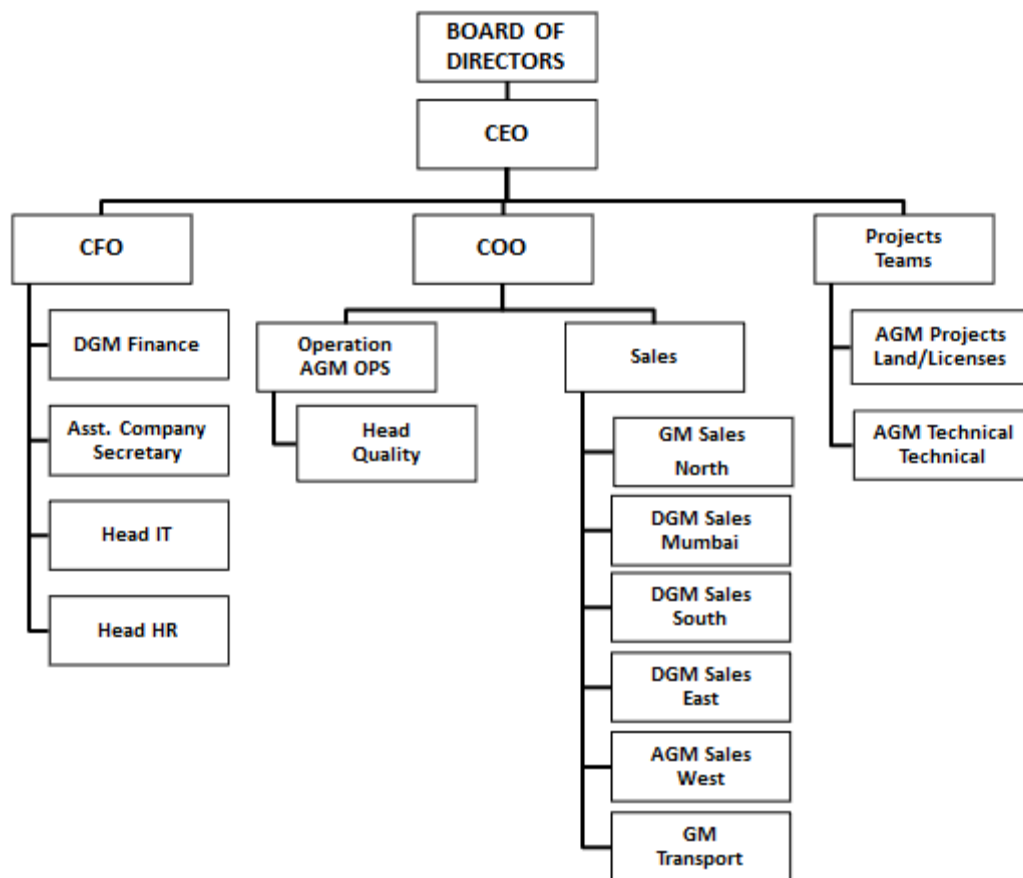
\* GDL acquired 5,142,500 shares from IFC at a price of ₹35 on August 2, 2013.

\*\* Mr. Kirpa Ram Vij has resigned from the board of directors of GDL with effect from 5 August 2014.

\*\*\* Mr. Karangalpadi Jathindra Mohan Shetty has resigned from the board of directors of GDL with effect from May 1, 2014.

As on date, none of the relatives of any of our Directors have been appointed to an office or place of profit in our Company.

### Management Organisation Chart



### Key Management Personnel

All the Key Management Personnel are permanent employees of our Company.

The details of the Key Management Personnel, as of the date of this Prospectus, are as follows:

**Mr. Kannan Ravindran Naidu**, aged 55, is a Wholetime Director on our Board and is our Chief Executive Officer. He joined our Company on February 15, 2007. He is a Bachelor of Commerce from the University of Bombay. He also holds a Master's degree in Computer Application. He has over 18 years of experience in the multi-modal and supply chain industry. Prior to joining our Company, he has worked in India and abroad setting up supply chain and retail ventures. During Fiscal 2014, he was paid/payable a gross compensation of ₹9.13 million.

**Mr. Sundar Mangadu Agaram**, aged 52, is the Chief Financial Officer, Company Secretary and Compliance Officer. He joined our Company on October 15, 2007. He is a Chartered and Cost Accountant as well as a qualified Company Secretary with 19 years of experience in the areas of audit, finance, information technology and operations. Prior to joining our Company, he was the Chief General Manager – Operations at GETIT Infoservices Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹4.34 million.

**Mr. Pradeep Dubey**, aged 43, is the Chief Operating Officer. He joined our Company on November 29, 2007. He is pursuing a PhD from the Birla Institute of Technology and Sciences, Pilani (Rajasthan) where the thesis is ‘Moving up the Value Chain: Determining Strategic Attributes of Logistics Service Providers in India’. He has 13 years of experience in the logistics and supply chain industry. Prior to joining our Company, he has worked at Gati Cargo Management Services Limited, Merind Limited, South Eastern Roadways Limited, Safe Express Private Limited V-Trains (India) Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹3.96 million.

**Mr. Sanjay Sharma**, aged 45, is the General Manager - Distribution (Ambient). He joined our Company on March 7, 2012. He is a Bachelor of Science from Garhwal University and holds a post graduate diploma in business administration from the Board of Technical Education, Uttar Pradesh. He also holds a certificate from IBM Global Services India for e-business application development professional programme. He has over 20 years of experience. Prior to joining our Company, he worked in Frontline Office Automation Private Limited, Sara Services & Engineers Private Limited, Gati Cargo Management Services and V-Trans (India) Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹2.30 million.

**Mr. Shivanand N**, aged 30, is the Deputy General Manager, Accounts and Finance. He holds a Bachelors of Commerce from the Bangalore University and is a Chartered Accountant. He joined our Company on September 3, 2009. He has over 6 years of experience and has worked in the areas of audits and finance. Prior to joining our Company, he worked at Lovelock and Lewes. During Fiscal 2014, he was paid/payable a gross compensation of ₹1.84 million.

**Mr. Shailesh Acharya**, aged 38, joined our Company on May 25, 2007 and is the Deputy General Manager – Sales. He holds a Post Graduate Diploma in Shipping Management from the Narottam Morarjee Institute of Shipping. He has 8 years of experience in supply chain management, logistics, freight and operations management. Prior to joining our Company, he has worked with Jeena and Company. During Fiscal 2014, he was paid/payable a gross compensation of ₹1.89 million.

**Mr. Debabrata Satpathy**, aged 41, joined our Company on May 20, 2008 and is the Deputy General Manager, East. He holds a Bachelor of Commerce from the Behrampur University. He has 15 years of experience in logistics management, warehouse management and industrial relations. Prior to joining our Company, he worked at Himadri Chemicals and Industries Limited, South Eastern Roadways Limited, ARC India Limited and Xenitis Infotech Private Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹1.65 million.

**Mr. Nitin Bhide**, aged 52, joined our Company on July 1, 2010 and is working as an Assistant General Manager. He holds a post graduate degree in Business Administration from the Institute of Management Training, Pune. He has 22 years of experience in processed food product business with extensive knowledge of strategic market planning and business processes. Prior to joining our Company, he worked at Farm Fresh Products, Godrej Agrovet Limited, Gujarat Tea Processors and Packers Limited, Fortpoint Automotive (Cars) Private Limited and Nicholas Breeders (I) Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹1.45 million.

**Mr. Jayant Ojha**, aged 46, joined our Company on May 20, 2013 and is working as the Deputy General Manager – Sales. He holds a Bachelor of Commerce from Hemwati Nandan Bahuguna Garhwal University. He

has over 12 years of experience. Prior to joining our Company, he worked at Startrek Logistics Private Limited. During Fiscal 2014, he was paid/payable a gross compensation of ₹1.12 million.

**Mr. Paniraj Murthy**, aged 41, joined our Company on March 13, 2014 and is working as the General Manager – Transportation. He holds A Bachelor of Commerce from University of Delhi and diploma in automobile engineering. He has 20 years of experience in the transportation sector. Prior to joining our Company, he worked at Economic Transport Organisation Ltd. During Fiscal 2014, he was paid/payable a gross compensation of ₹0.14 million.

#### **Relationship between key management personnel**

None of the Key Management Personnel are related to each other.

#### **Shareholding of Key Management Personnel**

As of the date of this Prospectus, none of the Key Management Personnel hold any Equity Shares of our Company, except as mentioned below:

| Sr. No. | Name                       | No. of shares | Percentage of pre issue capital (%) | Percentage of post issue capital (%) |
|---------|----------------------------|---------------|-------------------------------------|--------------------------------------|
| 1.      | Mr. Kannan Ravindran Naidu | 2,50,000      | 0.20                                | 0.15                                 |
| 2.      | Mr. Sundar Mangadu Agaram  | 1,80,000      | 0.14                                | 0.11                                 |
| 3.      | Mr. Pradeep Dubey          | 1,57,500      | 0.13                                | 0.09                                 |
| 4.      | Mr. Shivanand N            | 35,000        | 0.03                                | 0.02                                 |
| 5.      | Mr. Debabrata Sathpathy    | 35,000        | 0.03                                | 0.02                                 |
| 6.      | Mr. Nitin Vasant Bhide     | 35,000        | 0.03                                | 0.02                                 |
| 7.      | Mr. Shailesh Acharya       | 35,000        | 0.03                                | 0.02                                 |
| 8.      | Mr. Sanjay Sharma          | 20,000        | 0.02                                | 0.01                                 |
| 9.      | Mr. Jayant Ojha            | 20,000        | 0.02                                | 0.01                                 |

#### **Arrangements and Understanding with Major Shareholders**

None of our key management personnel have been selected pursuant to any arrangement or understanding with any major shareholders, customers or suppliers of our Company, or others.

#### **Bonus or profit sharing plan of the Key Management Personnel**

Except as stated above, our Company does not have bonus or profit sharing plan for the 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, reimbursement of expenses incurred by them during the ordinary course of business and the Equity Shares to be allotted pursuant to the exercise of employee stock options granted pursuant to the employee stock option scheme instituted by our Company, if any. All of 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 such Equity Shares.

#### **Changes in the Key Management Personnel**

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

| Name               | Designation                      | Date of change | Reason for change |
|--------------------|----------------------------------|----------------|-------------------|
| Mr. Paniraj Murthy | General Manager – Transportation | March 13, 2014 | Joined            |

|                       |                                     |                  |          |
|-----------------------|-------------------------------------|------------------|----------|
| Mr. Dinesh Narayanrao | Deputy General Manager – Operations | January 31, 2014 | Resigned |
| Mr. Jayant Ojha       | Deputy General Manager – Sales      | May 20, 2013     | Joined   |
| Mr. Pradeep Sonar     | General Manager – Operations        | October 8, 2012  | Resigned |
| Mr. V.K. Mohan        | General Manager – CA                | July 4, 2012     | Resigned |

#### ***Employee Stock Option Scheme***

The shareholders of our Company pursuant to a resolution passed at the AGM held on April 24, 2012 have, in terms of section 81(1A) of the Companies Act, 1956 approved the ESOP 2012 and pursuant to a resolution passed by the Compensation Committee amended the ESOP Scheme 2012. For details in relation to the employee stock option plan of our Company, please see the chapter entitled ‘*Capital Structure*’ on page 60 of this Prospectus.

#### ***Payment or Benefit to officers of our Company***

Except as stated otherwise in this Prospectus, no consideration 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 and our Directors. Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and the Key Management Personnel, are entitled to any benefits upon termination of employment.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

Gateway Distriparks Limited is the Promoter of our Company.

Gateway Distriparks Limited was incorporated as a public limited company under the Companies Act on April 6, 1994. Our company received a certificate of commencement of business on October 24, 1994.

Gateway Distriparks Limited is involved in the business of Container Freight Station at Nhava Sheva, Navi Mumbai.

The registered office of Gateway Distriparks Limited is Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai – 400 707. The registered office was shifted from New Delhi to current registered office on July 28, 2006.

We confirm that the details of the permanent account number, bank account numbers, company registration number of our Promoter and the address of the Registrar of Companies where our Promoter is registered will be submitted to the Stock Exchanges on which the Equity Shares of our Company is proposed to be listed at the time of filing of this Prospectus with the Stock Exchanges.

Except as set out below none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI.

| S. No. | Name of the Shareholder                    | No. of Equity Shares | Percentage (%) |
|--------|--------------------------------------------|----------------------|----------------|
| 1.     | Gateway Distriparks Limited                | 5,142,500*           | 4.15           |
| 2.     | Mr. Prem Kishan Dass Gupta                 | 440,000              | 0.36           |
| 3.     | Mr. Gopinath Pillai                        | 440,000              | 0.36           |
| 4.     | Mr. Sat Pal Khattar                        | 440,000              | 0.36           |
| 5.     | Mr. Kirpa Ram Vij**                        | 300,000              | 0.24           |
| 6.     | Mr. Shabbir Hakimuddin Hassanbhai          | 220,000              | 0.18           |
| 7.     | Mr. Karangalpadi Jathindra Mohan Shetty*** | 200,000              | 0.16           |
| 8.     | Mr. Saroosh Cowasjee Dinshaw               | 120,000              | 0.10           |
| 9.     | Mr. Ishaan Gupta                           | 35,000               | 0.03           |
| 10.    | Mr. Michael Philip Pinto                   | 25,000               | 0.02           |
| 11.    | Mr. Arun Agrawal                           | 20,000               | 0.02           |

\* GDL acquired 5,142,500 shares from IFC at a price of ₹35 on August 2, 2013.

\*\* Mr. Kirpa Ram Vij has resigned from the board of directors of GDL with effect from 5 August 2014.

\*\*\* Mr. Karangalpadi Jathindra Mohan Shetty has resigned from the board of directors of GDL with effect from May 1, 2014.

### Board of directors

The board of directors of Gateway Distriparks Limited comprises:

1. Mr. Gopinath Pillai, Chairman;
2. Mr. Prem Kishan Dass Gupta, Deputy Chairman and Managing Director;
3. Mr. Shabbir Hakimuddin Hassanbhai;
4. Mr. Sat Pal Khattar;
5. Mr. Michael Philip Pinto;
6. Mr. Saroosh Cowasjee Dinshaw;
7. Mr. Arun Agarwal;
8. Mr. Ishaan Gupta;
9. Mr. Bhaskar Reddy; and
10. Mrs. Chitra Gouri Lal.

### Listing of equity shares of GDL

The equity shares of GDL are currently listed on the BSE Limited and the National Stock Exchange of India Limited.

### Shareholding pattern

Shareholding pattern of Gateway Distriparks Limited as on June 30, 2014 is as follows:

| Category code | Category of Shareholder                                        | Number of Shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares |                            | Shares Pledged or otherwise encumbered |                          |
|---------------|----------------------------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|----------------------------|----------------------------------------|--------------------------|
|               |                                                                |                        |                        |                                              | As a percentage of (A+B) <sup>1</sup>                        | As a percentage of (A+B+C) | Number of shares                       | As a percentage          |
| (I)           | (II)                                                           | (III)                  | (IV)                   | (V)                                          | (VI)                                                         | (VII)                      | (VIII)                                 | (IX)=<br>(VIII)/(IV)*100 |
| <b>(A)</b>    | <b>Shareholding of Promoter and Promoter Group<sup>2</sup></b> |                        |                        |                                              |                                                              |                            |                                        |                          |
| <b>1.00</b>   | <b>Indian</b>                                                  |                        |                        |                                              |                                                              |                            |                                        |                          |
| (a)           | Individuals/ Hindu Undivided Family                            | 7.00                   | 31,70,000.00           | 31,70,000.00                                 | 2.92                                                         | 2.92                       |                                        | 0.00                     |
| (b)           | Central Government/ State Government(s)                        |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |
| (c)           | Bodies Corporate                                               | 1.00                   | 2,42,00,000.00         | 2,42,00,000.00                               | 22.26                                                        | 22.26                      | 1,70,00,000.00                         | 70.25                    |
| (d)           | Financial Institutions/ Banks                                  |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |
| (e)           | Any Others (Specify)                                           |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |
| (e-i)         |                                                                |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |
| (e-ii)        |                                                                |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |
|               | <b>Sub Total(A)(1)</b>                                         | <b>8.00</b>            | <b>2,73,70,000.00</b>  | <b>2,73,70,000.00</b>                        | <b>25.17</b>                                                 | <b>25.17</b>               | <b>1,70,00,000.00</b>                  | <b>62.11</b>             |
|               |                                                                |                        |                        |                                              |                                                              |                            |                                        |                          |
| <b>2.00</b>   | <b>Foreign</b>                                                 |                        |                        |                                              |                                                              |                            |                                        |                          |
| a             | Individuals (Non-Residents Individuals/ Foreign Individuals)   | 4.00                   | 45,41,000.00           | 45,41,000.00                                 | 4.18                                                         | 4.18                       | 33,00,000.00                           | 72.67                    |
| b             | Bodies Corporate                                               | 2.00                   | 91,50,187.00           | 91,50,187.00                                 | 8.42                                                         | 8.42                       |                                        | 0.00                     |
| c             | Institutions                                                   |                        |                        |                                              | 0.00                                                         | 0.00                       |                                        | 0.00                     |

| Category code | Category of Shareholder                                                     | Number of Shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares |              | Shares Pledged or otherwise encumbered |       |
|---------------|-----------------------------------------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|--------------|----------------------------------------|-------|
| d             | Qualified Foreign Investor                                                  |                        |                        |                                              | 0.00                                                         | 0.00         |                                        | 0.00  |
| e             | Any Others(Specify)                                                         |                        |                        |                                              | 0.00                                                         | 0.00         |                                        | 0.00  |
| e-i           |                                                                             |                        |                        |                                              | 0.00                                                         | 0.00         |                                        | 0.00  |
| e-ii          |                                                                             |                        |                        |                                              |                                                              |              |                                        |       |
|               |                                                                             |                        |                        |                                              |                                                              |              |                                        |       |
|               | <b>Sub Total(A)(2)</b>                                                      | <b>6.00</b>            | <b>1,36,91,187.00</b>  | <b>1,36,91,187.00</b>                        | <b>12.59</b>                                                 | <b>12.59</b> | <b>33,00,000.00</b>                    | 24.10 |
|               |                                                                             |                        |                        |                                              |                                                              |              |                                        |       |
|               | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b> | <b>14.00</b>           | <b>4,10,61,187.00</b>  | <b>4,10,61,187.00</b>                        | <b>37.77</b>                                                 | <b>37.77</b> | <b>2,03,00,000.00</b>                  | 49.44 |
|               |                                                                             |                        |                        |                                              |                                                              |              |                                        |       |
| <b>(B)</b>    | <b>Public shareholding</b>                                                  |                        |                        |                                              |                                                              |              |                                        |       |
| <b>1.00</b>   | <b>Institutions</b>                                                         |                        |                        |                                              |                                                              |              |                                        |       |
| (a)           | Mutual Funds/ UTI                                                           | 47.00                  | 1,66,95,608.00         | 1,66,95,608.00                               | 15.36                                                        | 15.36        |                                        |       |
| (b)           | Financial Institutions / Banks                                              | 7.00                   | 56,11,584.00           | 56,11,584.00                                 | 5.16                                                         | 5.16         |                                        |       |
| (c)           | Central Government/ State Government(s)                                     | 1.00                   | 1,000.00               | 1,000.00                                     | 0.00                                                         | 0.00         |                                        |       |
| (d)           | Venture Capital Funds                                                       |                        |                        |                                              | 0.00                                                         | 0.00         |                                        |       |
| (e)           | Insurance Companies                                                         | 1.00                   | 1,00,000.00            | 1,00,000.00                                  | 0.09                                                         | 0.09         |                                        |       |
| (f)           | Foreign Institutional Investors                                             | 103.00                 | 2,74,20,090.00         | 2,74,20,090.00                               | 25.22                                                        | 25.22        |                                        |       |
| (g)           | Foreign Venture Capital Investors                                           |                        |                        |                                              | 0.00                                                         | 0.00         |                                        |       |
| (h)           | Qualified Foreign Investor                                                  |                        |                        |                                              | 0.00                                                         | 0.00         |                                        |       |
| (i)           | Any Other (specify)                                                         |                        |                        |                                              | 0.00                                                         | 0.00         |                                        |       |
|               |                                                                             |                        |                        |                                              |                                                              |              |                                        |       |
|               | <b>Sub-Total (B)(1)</b>                                                     | <b>159.00</b>          | <b>4,98,28,282.00</b>  | <b>4,98,28,282.00</b>                        | <b>45.83</b>                                                 | <b>45.83</b> |                                        |       |

| Category code | Category of Shareholder                                                                 | Number of Shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares |               | Shares Pledged or otherwise encumbered |  |
|---------------|-----------------------------------------------------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|---------------|----------------------------------------|--|
|               |                                                                                         |                        |                        |                                              |                                                              |               |                                        |  |
| <b>B 2</b>    | <b>Non-institutions</b>                                                                 |                        |                        |                                              |                                                              |               |                                        |  |
| (a)           | Bodies Corporate                                                                        | 729.00                 | 48,31,874.00           | 48,31,762.00                                 | 4.44                                                         | 4.44          |                                        |  |
| (b)           | Individuals                                                                             |                        |                        |                                              | 0.00                                                         | 0.00          |                                        |  |
| I             | Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh   | 29,432.00              | 66,42,024.00           | 66,41,272.00                                 | 6.11                                                         | 6.11          |                                        |  |
| II            | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.      | 47.00                  | 13,76,192.00           | 13,76,192.00                                 | 1.27                                                         | 1.27          |                                        |  |
| (c)           | Qualified Foreign Investor                                                              |                        |                        |                                              | 0.00                                                         | 0.00          |                                        |  |
| (d)           | Any Other (specify)                                                                     |                        |                        |                                              | 0.00                                                         | 0.00          |                                        |  |
| (d-i)         | Independent Directors                                                                   | 4.00                   | 8,19,813.00            | 8,19,813.00                                  | 0.75                                                         | 0.75          |                                        |  |
| (d-ii)        | Clearing Members & Trusts                                                               | 132.00                 | 6,44,056.00            | 6,44,056.00                                  | 0.59                                                         | 0.59          |                                        |  |
| (d-iii)       | NRIs (including Foreign national)                                                       | 585.00                 | 35,24,621.00           | 35,24,621.00                                 | 3.24                                                         | 3.24          |                                        |  |
|               | <b>Sub-Total (B)(2)</b>                                                                 | <b>30,929.00</b>       | <b>1,78,38,580.00</b>  | <b>1,78,37,716.00</b>                        | <b>16.41</b>                                                 | <b>16.41</b>  |                                        |  |
|               |                                                                                         |                        |                        |                                              |                                                              |               |                                        |  |
| <b>(B)</b>    | <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                                     | <b>31,088.00</b>       | <b>6,76,66,862.00</b>  | <b>6,76,65,998.00</b>                        | <b>62.23</b>                                                 | <b>62.23</b>  |                                        |  |
|               |                                                                                         |                        |                        |                                              |                                                              |               |                                        |  |
|               | <b>TOTAL (A)+(B)</b>                                                                    | <b>31,102.00</b>       | <b>10,87,28,049.00</b> | <b>10,87,27,185.00</b>                       | <b>100.00</b>                                                | <b>100.00</b> |                                        |  |
|               |                                                                                         |                        | 0.00                   |                                              |                                                              |               |                                        |  |
| <b>(C)</b>    | <b>Shares held by Custodians and against which Depository Receipts have been issued</b> |                        |                        |                                              |                                                              |               |                                        |  |

| Category code | Category of Shareholder        | Number of Shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares |               | Shares Pledged or otherwise encumbered |              |
|---------------|--------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|---------------|----------------------------------------|--------------|
| 1.00          | Promoter and Promoter Group    | 0.00                   | 0.00                   | 0.00                                         |                                                              | 0.00          |                                        | 0.00         |
| 2.00          | Public                         | 0.00                   | 0.00                   | 0.00                                         |                                                              | 0.00          |                                        |              |
|               | <b>Sub-Total (C)</b>           | <b>0.00</b>            | <b>0.00</b>            | <b>0.00</b>                                  |                                                              | <b>0.00</b>   | <b>0.00</b>                            |              |
|               |                                |                        |                        |                                              |                                                              |               |                                        |              |
|               | <b>GRAND TOTAL (A)+(B)+(C)</b> | <b>31,102.00</b>       | <b>10,87,28,049.00</b> | <b>10,87,27,185.00</b>                       |                                                              | <b>100.00</b> | <b>2,03,00,000.00</b>                  | <b>18.67</b> |

### Financial Performance

The brief financial details of Gateway Distriparks Limited, for Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014 derived from its audited financial statements on a standalone basis, are set forth below:

(in ₹ millions)

| Particulars                            | As at and for the year ended March 31, 2012 | As at and for the year ended March 31, 2013 | As at and for the year ended March 31, 2014 |
|----------------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|
| Revenue from Operations & Other Income | 2,348.13                                    | 2,141.38                                    | 2,005.58                                    |
| Profit After Tax                       | 820.11                                      | 575.55                                      | 370.73                                      |
| Equity Capital                         | 1,082.78                                    | 1,085.05                                    | 1,086.07                                    |
| Reserves and Surplus                   | 5,805.05                                    | 5,520.54                                    | 5,011.34                                    |
| Basic EPS (in ₹)                       | 7.59                                        | 5.31                                        | 3.41                                        |
| Diluted EPS (in ₹)                     | 7.57                                        | 5.31                                        | 3.41                                        |
| Book value per share (in ₹)            | 63.61                                       | 60.88                                       | 56.14                                       |

### Changes in the management and control

There has been no change in control of the management of Gateway Distriparks Limited in the three years preceding the filing of this Prospectus.

### Promoter and Promoter Group of Gateway Distriparks Limited

The following persons have been disclosed as GDL's promoter and promoter group in its disclosures to the Stock Exchanges under Clause 35 of the Equity Listing Agreement:

*Companies forming part of the promoter and promoter group disclosures under Clause 35 of the Equity Listing Agreement:*

1. Prism International Private Limited;
2. Windmill International Pte. Limited; and
3. KSP Logistics Limited

*Individuals forming part of the promoter and promoter group disclosures under Clause 35 of the Equity Listing Agreement:*

1. Mr. Gopinath Pillai;
2. Mr. Prem Kishan Dass Gupta;
3. Mr. Sat Pal Khattar;
4. Mr. Ho Peng Cheong;
5. Mr. Arun Agarwal;

6. Mrs. Mamta Gupta;
7. Mr. Ishaan Gupta; and
8. Mr. Samvid Gupta.

*Natural persons in control of the corporate promoters of Gateway Distriparks Limited:*

| Name of the corporate promoter      | Natural person in control                   |
|-------------------------------------|---------------------------------------------|
| Prism International Private Limited | Mr. Prem Kishan Dass Gupta                  |
| Windmill International Pte. Limited | Mr. Gopinath Pillai and Mr. Sat Pal Khattar |
| KSP Logistics Limited               | Mr. Gopinath Pillai and Mr. Sat Pal Khattar |

*Details of natural persons in control of the corporate promoters of Gateway Distriparks Limited*

| Name                       | Passport Number | PAN Number | Photograph                                                                            |
|----------------------------|-----------------|------------|---------------------------------------------------------------------------------------|
| Mr. Gopinath Pillai        | E1863903A       | ALLPP7594G |    |
| Mr. Prem Kishan Dass Gupta | H3802063        | AAKPG2127J |    |
| Mr. Sat Pal Khattar        | E0788696K       | ARCPK9611J |  |

#### **Interests of Promoter and Promoter Group**

Our Promoter is interested in our Company to the extent that it is the Promoter of our Company, its shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by it. Our Promoter is entitled to be reimbursed the amount of ₹1,980 million in the event the guarantees given by them for our Company's borrowings is invoked. Directors of our Promoter hold 2,040,000 Equity Shares of our Company. For details of the shareholding of our Promoter in our Company, please see the chapter entitled '*Capital Structure*' on page 60 of this Prospectus.

Except as stated in the section entitled '*Financial Statements of our Company*' and under the heading '*Summary of key arrangements*' in the chapter entitled '*History and Certain Corporate Matters*' on page 180 and 140 respectively, our Company has not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to our Promoter in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Neither our Promoter nor any member of our Promoter Group has any interest in the property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company.

Neither our Promoter nor any member of our Promoter Group has any interest in any transaction for acquisition of land, construction of building or supply of machinery.

Our Promoter has provided several corporate guarantees in favour of HDFC Bank Limited, International Finance Corporation and Yes Bank Limited for an amount aggregating ₹730 million, ₹450 million and ₹800 million, respectively. The said guarantees are valid and subsisting as of March 31, 2014. For details of the credit facilities availed by us, please see the chapter entitled '*Financial Indebtedness*' on page 183 of this Prospectus.

### **Payment of benefits to our Promoter or Promoter Group**

Except as stated in the chapter entitled '*Financial Statements of our Company*' on page 180 of this Prospectus, there has been no payment of benefits to our Promoter or Promoter Group during the two years preceding the filing of this Prospectus.

### **Other Confirmations**

Our Promoter is neither a sick company within the meaning of SICA nor has any winding up proceedings been initiated against them.

No application has been made to RoC for striking off the name of our Promoter. Additionally, neither our Promoter nor any of our Group Companies have become defunct in the five years preceding the filing of this Prospectus.

Neither our Promoter nor any member of our Promoter Group has been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws (in India or overseas) committed by our Promoter in the past or are pending against them.

Further, none of our Promoter or our Promoter Group or our Directors has been debarred or restrained from accessing the capital markets for any reasons by SEBI or any other entity.

There have been no financing arrangements whereby the Promoter, Promoter Group, Directors of the Promoter or their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus.

No show cause notice has been issued to our Promoter by the SEBI.

No prosecution proceedings have been initiated by the SEBI against our Promoter.

There have been no sales or purchases between our Company and members of the Promoter Group where such sale or purchase exceed in value in the aggregate 10% of the total sales or purchases of our Company.

### **Common Pursuits**

Our Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

### **Companies with which our Promoter have disassociated in the last three years**

Our Promoter has not disassociated from any company during the preceding three years from the date of this Prospectus.

### **Change in the management and control of our Company**

There has been no change in the management and control of our Company.

### **Promoter Group**

In addition to our Promoter, the following companies forms part of our Promoter Group:

1. Prism International Private Limited;
2. Gateway Distriparks (South) Private Limited;
3. Gateway East India Private Limited;
4. Gateway Rail Freight Limited;
5. Gateway Distriparks (Kerala) Limited;

6. Container Gateway Limited (Subsidiary of Gateway Rail Freight Limited); and
7. Chandra CFS and Terminal Operators Private Limited (Subsidiary of Gateway Distriparks (South) Private Limited).

## OUR GROUP COMPANIES

The Group Companies of our Company are as follows:

| Sr. No. | Name of the Company                                                                                            |
|---------|----------------------------------------------------------------------------------------------------------------|
| 1.      | Gateway Distriparks (South) Private Limited                                                                    |
| 2.      | Gateway East India Private Limited                                                                             |
| 3.      | Gateway Rail Freight Limited                                                                                   |
| 4.      | Gateway Distriparks (Kerala) Limited                                                                           |
| 5.      | Container Gateway Limited (Subsidiary of Gateway Rail Freight Limited)                                         |
| 6.      | Chandra CFS and Terminal Operators Private Limited (Subsidiary of Gateway Distriparks (South) Private Limited) |

The details of our Group Companies are set forth below:

### 1. Gateway Distriparks (South) Private Limited (formerly, Indev Warehouse and Container Services Private Limited)

#### **Corporate Information**

Gateway Distriparks (South) Private Limited was incorporated as Indev Warehouse and Container Services Private Limited on August 8, 1994. The name of the company was subsequently changed to Gateway Distriparks South Private Limited on May 10, 2005.

The registered office of Gateway Distriparks (South) Private Limited is located at No. 200, Poonneri High Road, New Manali, Chennai 600 103. The registered office was changed from Karnataka to Tamil Nadu in June, 2012.

Gateway Distriparks (South) Private Limited is engaged in the business of operating a customs notified Container Freight Station.

#### **Interest of our Promoter**

Gateway Distriparks Limited holds 99,000 equity shares of ₹100 each constituting 100% interest in Gateway Distriparks (South) Private Limited as on March 31, 2014.

Further, the board of directors of Gateway Distriparks Limited and Gateway Distriparks (South) Private Limited have by their resolutions dated February 6, 2013 and February 4, 2013, respectively, approved the merger of Gateway Distriparks (South) Private Limited with Gateway Distriparks Limited. The board of directors of Gateway Distriparks Limited and Gateway Distriparks (South) Private Limited have by their resolutions dated January 31, 2014, approved the change in the appointed date of the Merger from April 1, 2013 to April 1, 2014. BSE Limited has granted its 'No-objection / approval' vide a letter dated July 8, 2014 to the merger. Pursuant to the scheme coming into effect, the shares of Gateway Distriparks (South) Private Limited will stand cancelled and the entire undertaking shall stand transferred to Gateway Distriparks Limited.

#### **Financial Information**

*(in ₹ millions, except per share data)*

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 9.90           | 9.90           | 9.90           |
| Reserves (excluding revaluation reserves) | 637.16         | 828.01         | 962.79         |
| Sales                                     | 662.59         | 656.72         | 514.87         |
| Profit After Tax                          | 190.90         | 190.85         | 134.78         |
| Basic and Diluted EPS (in ₹)              | 1,928.33       | 1,927.73       | 1,361.43       |
| Book value per share (in ₹)               | 6,536.02       | 8,463.75       | 9,825.19       |

## 2. Gateway East India Private Limited

### Corporate Information

Gateway East India Private Limited was incorporated in the name of Viking Exim Ventures Private Limited on May 11, 1994. The name of the company was subsequently changed to Gateway East India Private Limited on June 15, 2004.

The registered office of Gateway East India Private Limited is located at Container Freight Station, VPT – Exim Pak, Opposite GAIL, Sheela Nagar, Visakhapatnam – 530 012.

Gateway East India Private Limited is engaged in the business of operating a customs notified Container Freight Station.

### Interest of our Promoter

Gateway Distriparks Limited holds 8,000,000 equity shares of ₹10 each constituting 100% interest in Gateway East India Private Limited as on March 31, 2014.

### Financial Information

(in ₹ millions, except per share data)

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 80.00          | 80.00          | 80.00          |
| Reserves (excluding revaluation reserves) | 117.80         | 242.99         | 473.97         |
| Sales                                     | 201.01         | 362.27         | 417.15         |
| Profit After Tax                          | 54.26          | 125.19         | 230.97         |
| Basic and Diluted EPS (in ₹)              | 6.78 and 5.75  | 15.65          | 28.87          |
| Book value per share (in ₹)               | 24.73          | 40.37          | 69.25          |

## 3. Gateway Rail Freight Limited

### Corporate Information

Gateway Rail Freight Limited (GRFL) was incorporated on July 12, 2005 as Rag Freight Services Private Limited, a private limited company under the Companies Act, 1956. The name of the company was subsequently changed to Gateway Rail Freight Private Limited on August 17, 2006 and thereafter, to Gateway Rail Freight Limited on April 16, 2007 subsequent to conversion into a public company.

GRFL changed its registered office on May 1, 2011 to 206-207, 2nd Floor, Southern Park, Saket District Centre, Saket, New Delhi – 100 017.

GRFL is engaged in the business of providing Inter – Modal Logistics Solutions through setting up of Inland Container Depots and Domestic Inter-Modal Terminals at various places in India and owning and operating Container trains as a Category 1 operator in Indian Railways under the applicable policy of Indian Railways.

### Interest of our Promoter

Gateway Distriparks Limited holds 198,100,000 equity shares of ₹10 each constituting 98.31% interest in Gateway Rail Freight Limited as on March 31, 2014.

### Financial Information

(in ₹ millions, except per share data)

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 2,015.00       | 2,015.00       | 2,015.00       |
| Reserves (excluding revaluation reserves) | (279.65)       | 0.24           | 522.11         |
| Sales                                     | 4,513.61       | 5,403.86       | 5730.08        |

| Particulars        | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|--------------------|----------------|----------------|----------------|
| Profit After Tax   | 227.45         | 279.89         | 521.87         |
| Basic EPS (in ₹)   | 1.13           | 1.39           | 2.59           |
| Diluted EPS (in ₹) | 0.57           | 0.70           | 1.30           |
| Book value (in ₹)  | 13.39          | 14.03          | 15.22          |

#### 4. Gateway Distriparks (Kerala) Limited

##### *Corporate Information*

Gateway Distriparks (Kerala) Limited, was incorporated as Gateway Distriparks (Kerala) Private Limited on August 22, 2006 and was converted into a public limited company on March 30, 2007.

The registered office of Gateway Distriparks (Kerala) Limited is located at Door No. 26/1804, Chakiat House, Subramanian Road, P O Box 525, Willingdon Island PO, Cochin – 682 003.

Gateway Distriparks (Kerala) Limited is engaged in the business of operating a customs notified Container Freight Station.

##### *Interest of our Promoter*

Gateway Distriparks Limited holds 13,830,000 equity shares of ₹10 each constituting 60% interest in Gateway Distriparks (Kerala) Limited as on March 31, 2014.

##### *Financial Information*

(₹ in millions, except per share data)

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 230.50         | 230.50         | 230.50         |
| Reserves (excluding revaluation reserves) | (3.23)         | (4.10)         | (14.03)        |
| Sales                                     | 0              | 6.73           | 50.04          |
| Profit After Tax                          | (0.04)         | (0.86)         | (9.93)         |
| Basic and Diluted EPS (in Rs)             | (0.002)        | (0.038)        | (0.431)        |
| Book value (in Rs)                        | 9.86           | 9.82           | 9.39           |

#### 5. Container Gateway Limited

##### *Corporate Information*

Container Gateway Limited was incorporated on June 29, 2007 as a public limited company under the Companies Act, 1956.

The registered office of Container Gateway Limited is located at Via Patudi Road, Wazipur Morh, Near Garhi Harsaru Railway Station, Gurgaon – 122 505.

Container Gateway Limited is engaged in the business of managing the existing road/rail linked Container Terminal at Garhi Harsaru and in setting up, managing and operating rail-linked container terminals with container freight stations for facilitating export from inland locations and for developing, equipping, managing, acquiring, establishing custom bounded warehouses, container freight stations, container depots and transportation facilities. The Company is yet to start its commercial operations.

##### *Interest of our Promoter*

Gateway Distriparks Limited holds 51% of Container Gateway Limited through Gateway Rail Freight Limited. Gateway Rail Freight Limited holds 51,000 equity shares of ₹10 each constituting 51% in Container Gateway Limited.

### Financial Information

(₹ in millions, except per share data)

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 1.00           | 1.00           | 1.00           |
| Reserves (excluding revaluation reserves) | -              | -              | -              |
| Sales                                     | -              | -              | -              |
| Profit After Tax                          | -              | -              | -              |
| Basic and Diluted EPS (in ₹)              | -              | -              | -              |
| Book value (in ₹)                         | 10             | 10             | 10             |

### 6. Chandra CFS and Terminal Operators Private Limited

#### Corporate Information

Chandra CFS and Terminal Operators Private Limited was incorporated on July 21, 2005. The registered office of Chandra CFS and Terminal Operators Private Limited changed from Kakinada to VPT EXIM Park, Sheela Nagar, Visakhapatnam 530 012 on February 4, 2013.

The registered office of Chandra CFS and Terminal Operators Private Limited is located at Container Freight Station, VPT – Exim Park, Opposite GAIL, Sheela Nagar, Visakhapatnam – 530 012.

Chandra CFS and Terminal Operators Private Limited is engaged in the business of operating a customs notified Container Freight Station.

#### Interest of our Promoter

Gateway Distriparks holds indirectly holds 100% of Chandra CFS and Terminal Operators Private Limited through Gateway Distriparks (South) Private Limited as on March 31, 2014. Gateway Distriparks (South) Private Limited holds 1,750,945 equity shares of ₹100 each constituting 100% of Chandra CFS and Terminal Operators Private Limited as on March 31, 2014.

### Financial Information

(in ₹ millions, except per share data)

| Particulars                               | March 31, 2012 | March 31, 2013 | March 31, 2014 |
|-------------------------------------------|----------------|----------------|----------------|
| Equity Capital                            | 124.81         | 175.09         | 175.09         |
| Reserves (excluding revaluation reserves) | (90.64)        | (104.01)       | (104.69)       |
| Sales                                     | 33.00          | 41.82          | 44.05          |
| Profit After Tax                          | (14.72)        | (13.37)        | (0.68)         |
| Basic and Diluted EPS (in ₹)              | (12.47)        | (7.63)         | (0.39)         |
| Book value (in ₹)                         | 27.38          | 40.60          | 40.21          |

### Group Companies with negative networth

Except as set out below, none of our Group Companies have negative networth in the last three audited financial years:

1. Gateway Distriparks (Kerala) Limited has had a negative networth of ₹3.23 million, ₹4.10 million and ₹14.03 million in Fiscal 2012, Fiscal 2013 and Fiscal 2014, respectively.
2. Chandra CFS and Terminal Operators Private Limited has had a negative networth of ₹90.64 million, ₹104.01 million and ₹104.69 million in Fiscal 2012, Fiscal 2013 and Fiscal 2014, respectively.

### **Common Pursuits amongst our Group Companies with our Company**

There are no common pursuits amongst any of our Group Companies and our Company. Further, our Company does not have any 'associate companies' within the meaning of the Companies Act, 2013 and Accounting Standard AS-18 issued by the Institute of Chartered Accountants of India.

### **Related Business Transactions within our Group Companies and Significance on the Financial Performance of our Company**

There are no related business transactions amongst any of our Group Companies and our Company.

For details, please see the chapter entitled '*Related Party Transactions*' on page 178 of this Prospectus.

### **Sale/ Purchase between Group Companies**

Other than as disclosed in the section entitled '*Financial Statements of our Company*' on page 180 of this Prospectus, our Company does not have any sales/purchase arising out of any transaction with any Group Company exceeding in value an aggregate of 10% of total sales or purchase of our Company during the financial years 2014, 2013, 2012, 2011 and 2010.

### **Interests of Group Companies**

None of our Group Companies have any interest in our Company.

None of our Group Companies have any business interests in our Company.

None of our Group Companies have any interest in the promotion of our Company.

None of our Group Companies have any interest in the acquisition of land, construction of building and supply of machinery undertaken by our Company.

None of our Group Companies are interested in any property acquired by our Company within the last two years of filing of this Prospectus or proposed to be acquired by our Company.

Except as states in '*Financial Statements of our Company*' on page 180, none of our Group Companies have had any transactions with our Company in the last three years.

No part of the Issue Proceeds is payable to any of our Group Companies.

### **Companies with which our Promoter have disassociated in the last three years**

Our Promoter has not disassociated from any company during the preceding three years from the date of this Prospectus.

### **Other Confirmations**

None of our Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor are they under the process of winding up.

All our Group Companies are unlisted companies and they have not made any public issue of securities in the preceding three years.

None of our Group Companies, for which an application was made to the concerned Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Prospectus, have remained defunct.

Except for Gateway Distriparks (Kerala) Limited and Chandra CFS and Terminal Operators Private Limited, none of our Group Companies have made a loss in the year immediately preceding the filing of this Prospectus.

None of our Group Companies are prohibited from accessing the capital markets for any reason by SEBI or any other authority.

## **RELATED PARTY TRANSACTIONS**

For details of the related party disclosures, as per the requirements under Accounting Standard 18 '*Related Party Disclosures*' issued by the Institute of Chartered Accountants in India and as reported in the restated financial information, please see the chapter entitled '*Financial Statements of our Company*' on page 180 of this Prospectus.

## **DIVIDEND POLICY**

Our Company has formally adopted a policy governing the payment of dividends and other distributions to its shareholders in its Articles providing for payment of dividend in accordance with the Act where (i) retained earnings are not needed for the expansion of the existing business or the acquisition of new business of our Company; (ii) cash is available to make such distributions without the assumption of debts; and (iii) such distribution or profit will not lead to a need of a capital increase.

The declaration and payment of dividends will be recommended by our Board of Directors and approved by the shareholders of our Company, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities

We have not declared any dividends for the five years preceding the filing of this Prospectus.

## **SECTION V: FINANCIAL INFORMATION**

### **FINANCIAL STATEMENTS OF OUR COMPANY**

To  
The Board of Directors  
Snowman Logistics Limited  
Snowman House  
54, Old Madras Road, Virgo Nagar,  
Bangalore - 560 049  
India

#### **Auditors' Report on Restated Financial Information in connection with the Initial Public Offering of Snowman Logistics Limited**

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement and its' subsequent addendum dated July 08, 2013 and May 7, 2014, respectively.
2. The accompanying restated financial information, expressed in Indian Rupees in Millions, of Snowman Logistics Limited (hereinafter referred to as the "Company"), comprising Financial Information in paragraph A below and Other Financial Information in paragraph B below (hereinafter together referred to as "Restated Financial Information"), has been prepared by the management of the Company in accordance with the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, as amended (hereinafter referred to as the "Act") and Item (IX) of Part (B) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the IPO Committee of the Board of Directors of the Company and initialled by us for identification purposes. For the purposes of our examination, we have placed reliance on:
  - i) the audited financial statements of the Company for the years ended March 31, 2013 and 2014, expressed in Indian Rupees, on which we have expressed unmodified audit opinions vide our reports dated May 8, 2013 and April 30, 2014, respectively; and
  - ii) the audited financial statements of the Company for the years ended March 31, 2010, 2011 and 2012, all expressed in Indian Rupees, on which another firm of Chartered Accountants has expressed unmodified audit opinions, vide their reports dated June 29, 2010, June 13, 2011 and May 25, 2012, respectively.

#### **Management's Responsibility for the Restated Financial Information**

3. The preparation of the Restated Financial Information, which is to be included in the Red Herring Prospectus ("RHP") and the Prospectus, is the responsibility of the management of the Company and has been approved by the IPO Committee of the Board of Directors of the Company, vide circular resolution dated May 15, 2014, for the purpose set out in paragraph 13 below. The Board of Directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

#### **Auditors' Responsibilities**

4. Our work has been carried out in accordance with Standards on Auditing, as per the (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act. Our work was performed

solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

**A. Financial Information as per audited financial statements:**

5. We have examined the following summarized financial statements of the Company contained in Restated Financial Information of the Company:
  - a) the “Restated Statement of Assets and Liabilities” as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (enclosed as Annexure I);
  - b) the “Restated Statement of Profit and Loss ” for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (enclosed as Annexure II); and
  - c) the “Restated Statement of Cash Flows” for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (enclosed as Annexure III).
6. The Restated Financial information, expressed in Indian Rupees in Millions, has been derived from the audited financial statements of the Company, read with paragraph 7 below, as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010, all of which were, expressed in Indian Rupees.
7. We draw your attention to the following :
  - a) The Restated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 9(i));
  - b) The Restated Financial Information does not contain all the disclosures required by the Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act.
8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2014. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2014.

**B. Other Financial Information:**

9. At the Company’s request, we have also examined the following Other Financial Information relating to the Company as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010, proposed to be included in the RHP and the Prospectus, prepared by the Management of the Company and as approved by the IPO Committee of the Board of Directors of the Company and annexed to this report:
  - i) Significant Accounting Policies as enclosed in Annexure IV
  - ii) Notes to the Restated Financial Information as enclosed in Annexure V
  - iii) Statement of Adjustments to Audited Financial Statements as enclosed in Annexure VI
  - iv) Restated Statement of Secured Borrowings as enclosed in Annexure VII
  - v) Restated Statement of Principal Terms of Secured Borrowings outstanding as at March 31, 2014 as enclosed in Annexure VII (A)
  - vi) Restated Statement of Trade Receivables as enclosed in Annexure VIII
  - vii) Restated Statement of Loans and Advances as enclosed in Annexure IX
  - viii) Restated Statement of Other Income as enclosed in Annexure X
  - ix) Restated Statement of Accounting Ratios as enclosed in Annexure XI
  - x) Restated Statement of Capitalisation as enclosed in Annexure XII
  - xii) Restated Statement of Tax Shelter as enclosed in Annexure XIII
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

**Opinion**

11. In our opinion:

- i) the Restated Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act and the SEBI Regulations;
  - ii) adjustments have been made with retrospective effect to reflect the changes in accounting policies of the Company (as disclosed in Annexure IV to this report) to reflect the same accounting treatment as per the accounting policies as at March 31, 2014 for all the reporting periods;
  - iii) the material adjustments relating to previous years have been adjusted in the year to which they relate;
  - iv) the adjustments relating to the qualifications in the auditors' report have been incorporated in the year to which they relate; and
  - v) there are no extra-ordinary items which need to be disclosed separately.
12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us and by another firm of chartered accountants on the financial statements of the Company.

**Restriction on Use**

13. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and the Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with SEBI, Registrar of Companies, Bengaluru and the concerned Stock Exchanges.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Uday Shah  
Partner  
Membership Number: 046061

Place: Mumbai  
Date: May 16, 2014

**Snowman Logistics Limited, as Restated**

**(Formerly Snowman Frozen Foods Limited)**

| <b>S. No.</b> | <b>Details of Restated Financial Information</b>                                             | <b>Annexure Reference</b> |
|---------------|----------------------------------------------------------------------------------------------|---------------------------|
| 1             | Restated Statement of Assets and Liabilities                                                 | I                         |
| 2             | Restated Statement of Profit and Loss                                                        | II                        |
| 3             | Restated Statement of Cash Flows                                                             | III                       |
| 4             | Basis of Preparation and Significant Accounting Policies                                     | IV                        |
| 5             | Notes to the Restated Financial Information                                                  | V                         |
| 6             | Statement of Adjustments to Audited Financial Statements                                     | VI                        |
| 7             | Restated Statement of Secured Borrowings                                                     | VII                       |
| 8             | Restated Statement of Principal Terms of Secured Borrowings outstanding as at March 31, 2014 | VII (A)                   |
| 9             | Restated Statement of Trade Receivables                                                      | VIII                      |
| 10            | Restated Statement of Loans and Advances                                                     | IX                        |
| 11            | Restated Statement of Other Income                                                           | X                         |
| 12            | Restated Statement of Accounting Ratios                                                      | XI                        |
| 13            | Restated Statement of Capitalisation                                                         | XII                       |
| 14            | Restated Statement of Tax Shelter                                                            | XIII                      |

**Annexure I - Restated Statement of Assets and Liabilities of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|              |                                |                         | As at           |                 |                 |                 |                 |
|--------------|--------------------------------|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| S.No.        | Particulars                    | Note/<br>Annexure       | March 31, 2014  | March 31, 2013  | March 31, 2012  | March 31, 2011  | March 31, 2010  |
| <b>1</b>     | <b>Equity and Liabilities</b>  |                         |                 |                 |                 |                 |                 |
|              | <b>Shareholder's Funds</b>     |                         |                 |                 |                 |                 |                 |
| a            | Share capital                  | Note 1 of<br>Annexure V | 1,241.06        | 1,029.07        | 1,029.07        | 1,029.07        | 1,029.07        |
| b            | Reserves and surplus           | Note 2 of<br>Annexure V | 971.98          | 255.20          | 56.41           | 7.20            | (56.37)         |
| <b>2</b>     | <b>Non-current liabilities</b> |                         |                 |                 |                 |                 |                 |
| a            | Long-term borrowings           | Annexure<br>VII & VIIA  | 904.00          | 909.00          | -               | -               | -               |
| b            | Deferred tax liabilities (Net) | Note 3 of<br>Annexure V | -               | -               | 43.25           | 10.54           | -               |
| c            | Long-term provisions           | Note 4 of<br>Annexure V | 2.42            | 3.71            | 2.41            | 1.25            | 0.98            |
| <b>3</b>     | <b>Current liabilities</b>     |                         |                 |                 |                 |                 |                 |
| a            | Short-term borrowings          | Annexure<br>VII & VIIA  | 402.50          | -               | -               | -               | -               |
| b            | Trade payables                 | Note 5 of<br>Annexure V | 45.35           | 53.31           | 30.66           | 19.74           | 27.04           |
| c            | Other current liabilities      | Note 6 of<br>Annexure V | 315.17          | 181.61          | 46.09           | 38.98           | 24.68           |
| d            | Short-term provisions          | Note 7 of<br>Annexure V | 1.90            | 0.84            | 1.43            | 0.18            | 0.82            |
| <b>Total</b> |                                |                         | <b>3,884.38</b> | <b>2,432.74</b> | <b>1,209.32</b> | <b>1,106.96</b> | <b>1,026.22</b> |

**Annexure I - Restated Statement of Assets and Liabilities of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|          |                                     |                          | As at           |                 |                 |                 |                 |
|----------|-------------------------------------|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| S.No.    | Particulars                         | Note/<br>Annexure        | March 31, 2014  | March 31, 2013  | March 31, 2012  | March 31, 2011  | March 31, 2010  |
|          | <b>Assets</b>                       |                          |                 |                 |                 |                 |                 |
| <b>4</b> | <b>Non-Current Assets</b>           |                          |                 |                 |                 |                 |                 |
| <b>a</b> | <b>Fixed assets</b>                 |                          |                 |                 |                 |                 |                 |
|          | Tangible assets                     | Note 8 of<br>Annexure V  | 2,487.38        | 1,566.62        | 738.02          | 566.15          | 298.89          |
|          | Intangible assets                   |                          | 12.64           | 7.49            | 5.54            | 7.16            | -               |
|          | Capital work-in-progress            |                          | 424.34          | 319.58          | 101.86          | 53.31           | 87.09           |
|          | Intangible assets under development |                          | -               | 0.92            | 3.32            | -               | 3.89            |
| b        | Long term loans and advances        | Note 1 of<br>Annexure IX | 168.25          | 111.62          | 81.80           | 72.72           | 68.83           |
| c        | Other non-current assets            | Note 9 of<br>Annexure V  | 1.40            | 1.23            | 2.11            | -               | 1.75            |
| d        | Deferred tax asset (Net)            | Note 3 of<br>Annexure V  | 163.81          | 50.46           | -               | -               | 0.55            |
| <b>5</b> | <b>Current assets</b>               |                          |                 |                 |                 |                 |                 |
| a        | Inventories                         | Note 10 of<br>Annexure V | -               | -               | 0.54            | -               | -               |
| b        | Trade receivables                   | Annexure<br>VIII         | 394.77          | 256.35          | 124.20          | 103.10          | 86.14           |
| c        | Cash and bank balances              | Note 11 of<br>Annexure V | 160.94          | 73.30           | 140.55          | 293.13          | 439.71          |
| d        | Short-term loans and advances       | Note 2 of<br>Annexure IX | 66.84           | 44.05           | 10.12           | 10.78           | 32.33           |
| e        | Other current assets                | Note 12 of<br>Annexure V | 4.01            | 1.12            | 1.26            | 0.61            | 7.04            |
|          | <b>Total</b>                        |                          | <b>3,884.38</b> | <b>2,432.74</b> | <b>1,209.32</b> | <b>1,106.96</b> | <b>1,026.22</b> |

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.

**Annexure II - Restated Statement of Statement of Profit and Loss of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                              | Note/<br>Annexure     | For the year ended |                 |                |                |                |
|------------------------------------------|-----------------------|--------------------|-----------------|----------------|----------------|----------------|
|                                          |                       | March 31, 2014     | March 31, 2013  | March 31, 2012 | March 31, 2011 | March 31, 2010 |
|                                          |                       |                    |                 |                |                |                |
| <b>Revenue</b>                           |                       |                    |                 |                |                |                |
| Revenue from operations                  | Note 13 of Annexure V | 1,534.07           | 1,136.95        | 613.96         | 451.66         | 345.70         |
| Other Income                             | Annexure X            | 18.26              | 4.08            | 28.02          | 24.23          | 23.33          |
| <b>Total Revenue (A)</b>                 |                       | <b>1,552.33</b>    | <b>1,141.03</b> | <b>641.98</b>  | <b>475.89</b>  | <b>369.03</b>  |
| <b>Expenses</b>                          |                       |                    |                 |                |                |                |
| Operating expenses                       | Note 14 of Annexure V | 902.40             | 652.01          | 318.64         | 235.92         | 178.70         |
| Purchases of Stock-in-Trade              |                       | -                  | 8.23            | 3.87           | -              | -              |
| Changes in inventories of Stock-in-Trade | Note 15 of Annexure V | -                  | 0.54            | (0.54)         | -              | -              |
| Employee benefit expense                 | Note 16 of Annexure V | 151.92             | 129.32          | 97.65          | 71.03          | 60.79          |
| Finance costs                            | Note 17 of Annexure V | 111.79             | 23.99           | 0.53           | 0.06           | 0.24           |
| Depreciation and amortization expense    | Note 18 of Annexure V | 149.71             | 90.71           | 58.77          | 40.21          | 36.10          |
| Other expenses                           | Note 19 of Annexure V | 99.61              | 91.88           | 65.41          | 54.68          | 51.84          |
| <b>Total Expenses (B)</b>                |                       | <b>1,415.43</b>    | <b>996.68</b>   | <b>544.33</b>  | <b>401.90</b>  | <b>327.67</b>  |
| <b>Profit before tax (A-B)</b>           |                       | <b>136.90</b>      | <b>144.35</b>   | <b>97.65</b>   | <b>73.99</b>   | <b>41.36</b>   |

**Annexure II - Restated Statement of Statement of Profit and Loss of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                                | Note/<br>Annexure        | For the year ended |                |                |                |                |
|------------------------------------------------------------|--------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                            |                          | March 31, 2014     | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>Tax expenses</b>                                        |                          |                    |                |                |                |                |
| Current tax (MAT)                                          | Note 20 of<br>Annexure V | 29.32              | 44.62          | 4.86           | 9.24           | -              |
| MAT Credit Entitlement                                     |                          | -                  | -              | (4.86)         | (9.24)         | -              |
| Deferred tax                                               |                          | (117.21)           | (90.23)        | 34.09          | 9.54           | -              |
| <b>Profit for the year</b>                                 |                          | <b>224.79</b>      | <b>189.96</b>  | <b>63.56</b>   | <b>64.45</b>   | <b>41.36</b>   |
| <b>Profit for the year before Restatement Adjustments</b>  |                          | <b>224.79</b>      | <b>189.96</b>  | <b>63.56</b>   | <b>64.45</b>   | <b>41.36</b>   |
| <b>Restatement Adjustments:</b>                            |                          |                    |                |                |                |                |
| (i) Adjustments on account of audit qualifications         | Annexure<br>VI           | -                  | -              | -              | -              | 2.66           |
| (ii) Other material adjustments relating to previous years | Annexure<br>VI           | 11.34              | 5.35           | (15.73)        | 0.67           | (4.03)         |
| (iii) Deferred tax adjustments [credit/(charged)]          | Annexure<br>VI           | (3.86)             | 3.48           | 1.38           | (1.55)         | 0.47           |
| <b>Net Profit as Restated</b>                              |                          | <b>232.27</b>      | <b>198.79</b>  | <b>49.21</b>   | <b>63.57</b>   | <b>40.46</b>   |

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.

**Annexure III - Restated Statement of Cash Flows of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                             | For the year ended |                |                |                |                |
|---------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                         | March 31, 2014     | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>A. <u>Cash flow from operating activities</u></b>    |                    |                |                |                |                |
| Restated Profit before tax                              | 148.24             | 135.60         | 95.66          | 75.02          | 39.99          |
| <b>Adjustments for :</b>                                |                    |                |                |                |                |
| Depreciation                                            | 149.71             | 90.71          | 58.77          | 40.21          | 36.10          |
| Liabilities no longer required written back             | -                  | -              | (0.83)         | (3.25)         | (0.58)         |
| Provision for Doubtful Debts and Advances               | 21.83              | 14.65          | 10.01          | 10.17          | 11.89          |
| Assets written off                                      | 0.22               | 0.62           | 0.69           | 0.34           | 0.18           |
| Bad Debts/Irrecoverable advances written off            | (15.81)            | 13.09          | 2.86           | 2.21           | 2.09           |
| (Profit) / Loss on sale of fixed assets                 | (0.62)             | (1.21)         | (0.76)         | -              | (0.02)         |
| Employees Stock Options Expense                         | 1.44               | -              | -              | -              | -              |
| Interest income                                         | (17.58)            | (1.99)         | (19.30)        | (23.46)        | (18.43)        |
| Interest expense                                        | 111.79             | 23.03          | 0.29           | 0.06           | 0.24           |
| Operating profit before working capital changes         | <b>399.22</b>      | <b>274.50</b>  | <b>147.39</b>  | <b>101.30</b>  | <b>71.46</b>   |
| <b>Changes in Working Capital:</b>                      |                    |                |                |                |                |
| (Increase) / decrease in inventories                    | -                  | 0.54           | (0.54)         | -              | -              |
| (Increase) / decrease in trade receivables              | (144.43)           | (159.88)       | (33.97)        | (29.34)        | (30.93)        |
| (Increase) / decrease in loans and advances             | (69.72)            | (75.02)        | (13.36)        | 29.02          | (26.68)        |
| Increase in current liabilities                         | 0.80               | 117.86         | 21.28          | 9.88           | 10.96          |
| <b>Cash generated from operations</b>                   | <b>185.87</b>      | <b>158.00</b>  | <b>120.80</b>  | <b>110.86</b>  | <b>24.81</b>   |
| Direct taxes paid (net of refunds)                      | (39.21)            | (18.39)        | (10.90)        | (9.94)         | (5.86)         |
| <b>Net cash generated from operating activities (A)</b> | <b>146.66</b>      | <b>139.61</b>  | <b>109.90</b>  | <b>100.92</b>  | <b>18.95</b>   |

**Annexure III - Restated Statement of Cash Flows of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                                                                  | March 31, 2014    | March 31, 2013    | For the year ended<br>March 31, 2012 | March 31, 2011  | March 31, 2010 |
|----------------------------------------------------------------------------------------------|-------------------|-------------------|--------------------------------------|-----------------|----------------|
| <b>B. <u>Cash flow from investing activities</u></b>                                         |                   |                   |                                      |                 |                |
| Purchase of tangible/intangible assets                                                       | (1,179.89)        | (1,137.86)        | (283.95)                             | (277.33)        | (85.78)        |
| Sale of Fixed Assets                                                                         | 0.83              | 1.89              | 3.11                                 | -               | 0.21           |
| Interest received                                                                            | 14.69             | 2.14              | 18.65                                | 29.89           | 21.42          |
| <b>Net cash from / (used in) investing activities (B)</b>                                    | <b>(1,164.37)</b> | <b>(1,133.83)</b> | <b>(262.19)</b>                      | <b>(247.44)</b> | <b>(64.15)</b> |
| <b>C. <u>Cash flow from financing activities</u></b>                                         |                   |                   |                                      |                 |                |
| Repayment of long term borrowings                                                            | (41.00)           | -                 | -                                    | -               | (0.76)         |
| Proceeds from long term borrowings                                                           | 150.00            | 950.00            | -                                    | -               | -              |
| Proceeds from short term borrowings                                                          | 402.50            | -                 | -                                    | -               | -              |
| Proceeds from issue of shares                                                                | 211.99            | -                 | -                                    | -               | 205.70         |
| Proceeds from securities premium (net)                                                       | 483.07            | -                 | -                                    | -               | 32.95          |
| Interest paid                                                                                | (101.21)          | (23.03)           | (0.29)                               | (0.06)          | (0.24)         |
| <b>Net cash from / (used in) financing activities (C)</b>                                    | <b>1,105.35</b>   | <b>926.97</b>     | <b>(0.29)</b>                        | <b>(0.06)</b>   | <b>237.65</b>  |
| <b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>                          | <b>87.64</b>      | <b>(67.25)</b>    | <b>(152.58)</b>                      | <b>(146.58)</b> | <b>192.45</b>  |
| <b>Cash and Cash Equivalents at the beginning of the year</b>                                | <b>73.30</b>      | <b>140.55</b>     | <b>293.13</b>                        | <b>439.71</b>   | <b>247.26</b>  |
| <b>Cash and Cash Equivalents at the end of the year</b>                                      | <b>160.94</b>     | <b>73.30</b>      | <b>140.55</b>                        | <b>293.13</b>   | <b>439.71</b>  |
| Cash and Cash Equivalents comprises of:                                                      |                   |                   |                                      |                 |                |
| Cash on Hand                                                                                 | 0.98              | 1.49              | 0.28                                 | 0.28            | 0.30           |
| Cheques on Hand                                                                              | 0.61              | 4.66              | 3.92                                 | 0.56            | 0.49           |
| <b>Balance with Banks</b>                                                                    | <b>-</b>          | <b>-</b>          | <b>-</b>                             | <b>-</b>        | <b>-</b>       |
| In current Accounts                                                                          | 28.34             | 37.70             | 17.04                                | 12.06           | 9.28           |
| Deposit Accounts                                                                             | 120.05            | 20.00             | 110.22                               | 270.63          | 424.39         |
| <b>Other bank balance</b>                                                                    | <b>-</b>          | <b>-</b>          | <b>-</b>                             | <b>-</b>        | <b>-</b>       |
| - Long term deposits with maturity more than 3 months but less than 12 months [Refer note 2] | 10.96             | 9.45              | 9.09                                 | 9.60            | 5.25           |
| <b>Total</b>                                                                                 | <b>160.94</b>     | <b>73.30</b>      | <b>140.55</b>                        | <b>293.13</b>   | <b>439.71</b>  |

### **Annexure III - Restated Statement of Cash Flows of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

Notes:

- 1 The above Cash Flow Statement has been prepared in consonance with the requirements of Accounting Standard (AS) - 3 on Cash Flow Statements as notified under Section 211(3C) and the relevant provisions of the Companies Act, 1956 (refer note 2 of Annexure IV ) and the reallocations required for the purpose are as made by the Company.
- 2 Held as lien by bank against bank guarantee.
- 3 Previous year's figures have been regrouped/ reclassified wherever necessary to conform with current year's classification.
- 4 The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.

## **Annexure IV- Basis of Preparation and Significant Accounting Policies**

### **1. General Information**

Snowman Logistics Limited (formerly Snowman Frozen Foods Limited) (the 'Company') is engaged in cold chain business in India. Snowman offers a range of complete and unique facilities for transportation/storage, handling and retail distribution of frozen and chilled products.

The Company had changed its name from Snowman Frozen Foods Limited to Snowman Logistics Limited and obtained a fresh certificate of incorporation dated March 17, 2011.

### **2. Basis of preparation:**

The restated Statement of Assets and Liabilities of Snowman Logistics Limited (the "Company") as at March 31, 2014, 2013, 2012, 2011, 2010 and the restated Statement of Profit and Loss, and the restated Statement of Cash Flows for the years ended March 31, 2014, 2013, 2012, 2011, 2010 and Other Financial Information have been derived by the Management from the Audited Financial Statements of the Company for the corresponding years. The Audited Financial Statements of the Company for the corresponding years have been prepared to comply in all material respects with the Generally Applicable Accounting Principles in India, the applicable accounting standards under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956, except that necessary adjustments were made for the purpose of preparing the restated Statement of Assets and Liabilities, restated Statement of Profit and Loss and restated Statement of Cash flows of the Company for the corresponding years. Further in respect of Audited Financial Statements of the Company as of and for the year ended March 31, 2014, pursuant to circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, till the Standards of Accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

These financial information and other financial information were approved by the IPO Committee of the Board of Directors vide circular resolution dated May 15, 2014.

These restated financial information and Other Financial Information have been prepared for the proposed Initial Public Offering of equity shares of the Company (referred to as the "Issue"), in accordance with the requirements of:

- (a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and
- (b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time (the "SEBI Regulations").

These restated financial information and Other Financial Information have been prepared after incorporating:

- (a) Adjustments for audit qualification requiring corrective adjustment in the financial statements;
- (b) Adjustments for the material amounts in respective years to which they relate;
- (c) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended March 31, 2014 and the requirements of the SEBI Regulations;

## **Annexure IV- Basis of Preparation and Significant Accounting Policies**

(d) The resultant impact of tax due to these adjustments.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### **3. Significant accounting policies**

#### **a) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **b) Tangible Assets**

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land, which is stated at cost. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/up to the date of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule XIV to the Act. Assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

The leasehold land including building constructed thereon is being amortized over the lease period.

#### **c) Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 5 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.

#### **d) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost includes only the purchase cost of the goods. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to record the sale.

## **Annexure IV- Basis of Preparation and Significant Accounting Policies**

### **e) Revenue Recognition**

Income from Transportation, Storage and Handling activities are accrued on completion of the service. Income from commission on consignment sales is recognised on the completion of consignment sales.

### **f) Other income**

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### **g) Foreign Currency Transactions**

#### **Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **Subsequent Recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

### **h) Employee Benefits**

#### **(1) Defined Contribution Plan**

Contribution towards provident fund and pension scheme for employees is made to the regulatory authorities which are recognised by the Income Tax Authorities and administered through appropriate authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

## Annexure IV- Basis of Preparation and Significant Accounting Policies

### (2) Defined Benefit Plan

The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. The Company’s liability is actuarially determined by an independent actuary (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### (3) Other Employee Benefits

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### i) Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

#### j) Current and Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised 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. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## **Annexure IV- Basis of Preparation and Significant Accounting Policies**

### **k) Leases**

Assets acquired under operating leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

### **l) Employees' Stock Option Scheme**

Equity settled stock options granted under "ESOP Scheme" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share based Payments issued by the Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortised portion.

### **m) Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

### **n) Provisions and Contingent Liabilities**

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### **o) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

## **Annexure IV- Basis of Preparation and Significant Accounting Policies**

### **p) Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies followed for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under 'Unallocable corporate expenses'.

### **q) Earnings per share**

Basic earnings per share are 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. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. 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 is adjusted for the effects of all dilutive potential equity shares.

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**(Rs. in Million, unless otherwise stated)**

**1 Share Capital**

|                                                                                                                                           | As at          |                |                |                |                |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                                                                           | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>Authorised</b>                                                                                                                         |                |                |                |                |                |
| 200 Million (March 2013: 125 Million, 2012: 125 Million, 2011: 125 Million, 2010: 125 Million) equity shares of Rs.10 each                | 2,000.00       | 1,250.00       | 1,250.00       | 1,250.00       | 1,250.00       |
| <b>Issued, Subscribed and Paid Up</b>                                                                                                     |                |                |                |                |                |
| 124.11 Million (March 2013: 102.91 Million, 2012: 102.91 Million, 2011: 102.91 Million, 2010: 102.91 Million) equity shares of Rs.10 each | 1,241.06       | 1,029.07       | 1,029.07       | 1,029.07       | 1,029.07       |

**a Rights, preferences and restrictions attached to shares:**

Equity shares :The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their share holding.

**B Reconciliation of the number of shares outstanding:**

|                                                        | As at                   |                 |                         |                 |                         |                 |                         |                 |                         |                 |
|--------------------------------------------------------|-------------------------|-----------------|-------------------------|-----------------|-------------------------|-----------------|-------------------------|-----------------|-------------------------|-----------------|
|                                                        | March 31, 2014          |                 | March 31, 2013          |                 | March 31, 2012          |                 | March 31, 2011          |                 | March 31, 2010          |                 |
| <b>Equity Shares of Rs.10 each fully paid</b>          | <b>Number of shares</b> | <b>Amount</b>   | <b>Number of shares</b> | <b>Amount</b>   | <b>Number of shares</b> | <b>Amount</b>   | <b>Number of shares</b> | <b>Amount</b>   | <b>Number of shares</b> | <b>Amount</b>   |
| Shares at the beginning of the year                    | 102,907,000             | 1,029.07        | 102,907,000             | 1,029.07        | 102,907,000             | 1,029.07        | 102,907,000             | 1,029.07        | 82,337,000              | 823.37          |
| Add: Shares issued on preferential allotment of shares | 21,198,857              | 211.99          | -                       | -               | -                       | -               | -                       | -               | 20,570,000              | 205.70          |
| Shares at the end of the year                          | <b>124,105,857</b>      | <b>1,241.06</b> | <b>102,907,000</b>      | <b>1,029.07</b> | <b>102,907,000</b>      | <b>1,029.07</b> | <b>102,907,000</b>      | <b>1,029.07</b> | <b>102,907,000</b>      | <b>1,029.07</b> |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million, unless otherwise stated)

**c Details of shares allotted during the year:**

|              | March 31, 2014    |                  |                       | March 31, 2013   |                  |                       | As at<br>March 31, 2012 |                  |                       | March 31, 2011   |                  |                       | March 31, 2010    |                  |                       |
|--------------|-------------------|------------------|-----------------------|------------------|------------------|-----------------------|-------------------------|------------------|-----------------------|------------------|------------------|-----------------------|-------------------|------------------|-----------------------|
|              | Amount            |                  |                       | Amount           |                  |                       | Amount                  |                  |                       | Amount           |                  |                       | Amount            |                  |                       |
|              | No. of<br>shares  | Share<br>Capital | Securities<br>Premium | No. of<br>shares | Share<br>Capital | Securities<br>Premium | No. of<br>shares        | Share<br>Capital | Securities<br>Premium | No. of<br>shares | Share<br>Capital | Securities<br>Premium | No. of<br>shares  | Share<br>Capital | Securities<br>Premium |
| ESOP         | 1,056,000         | 10.56            | 0.63                  | -                | -                | -                     | -                       | -                | -                     | -                | -                | -                     | -                 | -                | -                     |
| Preferential | 20,142,857        | 201.43           | 503.58                | -                | -                | -                     | -                       | -                | -                     | -                | -                | -                     | 20,570,000        | 205.70           | 43.19                 |
|              | <b>21,198,857</b> | <b>211.99</b>    | <b>504.21</b>         | -                | -                | -                     | -                       | -                | -                     | -                | -                | -                     | <b>20,570,000</b> | <b>205.70</b>    | <b>43.19</b>          |

|                                                                             | March 31, 2014           |                                   | March 31, 2013           |                                   | As at<br>March 31, 2012  |                                   | March 31, 2011           |                                   | March 31, 2010           |                                   |
|-----------------------------------------------------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|
| <b>d Details of shareholders holding more than 5% shares of the Company</b> |                          |                                   |                          |                                   |                          |                                   |                          |                                   |                          |                                   |
| <b>Name of the shareholder</b>                                              | <b>No. of<br/>shares</b> | <b>% of<br/>share<br/>holding</b> | <b>No. of<br/>shares</b> | <b>% of<br/>share<br/>holding</b> | <b>No. of<br/>shares</b> | <b>% of<br/>share<br/>holding</b> | <b>No. of<br/>shares</b> | <b>% of<br/>share<br/>holding</b> | <b>No. of<br/>shares</b> | <b>% of<br/>share<br/>holding</b> |
| Gateway Distriparks Ltd., the holding Company *                             | 67,254,119               | 54.19%                            | 54,711,720               | 53.17%                            | 53,711,619               | 52.19%                            | 53,711,619               | 52.19%                            | 53,711,619               | 52.19%                            |
| Norwest Venture Partners VII-A- Mauritius                                   | 17,142,857               | 13.81%                            | -                        | -                                 | -                        | -                                 | -                        | -                                 | -                        | -                                 |
| Mitsubishi Corporation                                                      | 15,641,000               | 12.60%                            | 15,641,000               | 15.20%                            | 15,641,000               | 15.20%                            | 15,641,000               | 15.20%                            | 15,641,000               | 15.20%                            |
| International Finance Corporation                                           | 15,427,500               | 12.43%                            | 20,570,000               | 19.99%                            | 20,570,000               | 19.99%                            | 20,570,000               | 19.99%                            | 20,570,000               | 19.99%                            |
| Nichirei Logistics Corporation                                              | -                        | -                                 | 7,400,000                | 7.19%                             | 7,400,000                | 7.19%                             | 7,400,000                | 7.19%                             | 7,400,000                | 7.19%                             |

\* 101 shares (2013: 101) is held by Gateway Distriparks Limited, the holding company jointly with Mr. Prem Kishan Gupta.

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million, unless otherwise stated)

| <b>e Shares held by holding Company and the subsidiary of holding Company</b>                                                                       | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Equity Shares:                                                                                                                                      |                       |                       |                       |                       |                       |
| 67,254,119 equity shares of Rs. 10 each held by the holding Company (2013: 54,711,720 equity shares, 2012, 2011 and 2010: 53,711,619 equity shares) | 672.54                | 547.12                | 537.12                | 537.12                | 537.12                |
| <b>f Shares reserved for issue under option</b>                                                                                                     |                       |                       |                       |                       |                       |
| Refer Note 21 of Annexure V for details of shares to be issued under Employee Stock Option Plan.                                                    |                       |                       |                       |                       |                       |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|   | Particulars                                                                                                                                                                                                           | March 31, 2014 | March 31, 2013 | As at<br>March 31, 2012 | March 31, 2011 | March 31, 2010 |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|-------------------------|----------------|----------------|
| 2 | <b>Reserves and Surplus</b>                                                                                                                                                                                           |                |                |                         |                |                |
|   | Capital Subsidy from National Horticulture Board                                                                                                                                                                      | 1.82           | 1.82           | 1.82                    | 1.82           | 1.82           |
|   | <b>Securities premium</b>                                                                                                                                                                                             |                |                |                         |                |                |
|   | Balance at the beginning of the year                                                                                                                                                                                  | 88.85          | 88.85          | 88.85                   | 88.85          | 55.91          |
|   | Add: Received on issue of shares [refer note 1 (c) on Annexure V]                                                                                                                                                     | 504.21         | -              | -                       | -              | 43.19          |
|   | Less: Amount utilised for share issue expenses (Refer note below)                                                                                                                                                     | (21.14)        | -              | -                       | -              | (10.25)        |
|   | Balance at the end of the year                                                                                                                                                                                        | 571.92         | 88.85          | 88.85                   | 88.85          | 88.85          |
|   | <i>Note:</i>                                                                                                                                                                                                          |                |                |                         |                |                |
|   | Amount utilised for share issue expenses represents expenses (including consultants fees, legal fees, stamp duty payments) incurred towards private placement of shares to Norwest Venture Partners VII-A- Mauritius. |                |                |                         |                |                |
|   | <b>Employees Stock Options Plan (ESOP) Outstanding Account</b>                                                                                                                                                        |                |                |                         |                |                |
|   | Opening Balance                                                                                                                                                                                                       | -              | -              | -                       | -              | -              |
|   | Add: Addition during the year (Compensation for ESOP granted) [Refer note 16 on Annexure V]                                                                                                                           | 1.44           | -              | -                       | -              | -              |
|   | Balance at the end of the year                                                                                                                                                                                        | 1.44           | -              | -                       | -              | -              |
|   | <b>Surplus/ (Deficit) in the Statement of Profit and Loss</b>                                                                                                                                                         |                |                |                         |                |                |
|   | Balance at the beginning of the year                                                                                                                                                                                  | 164.53         | (34.26)        | (83.47)                 | (147.04)       | (187.50)       |
|   | Profit for the year                                                                                                                                                                                                   | 232.27         | 198.79         | 49.21                   | 63.57          | 40.46          |
|   | Balance at the end of the year                                                                                                                                                                                        | 396.80         | 164.53         | (34.26)                 | (83.47)        | (147.04)       |
|   |                                                                                                                                                                                                                       | <b>971.98</b>  | <b>255.20</b>  | <b>56.41</b>            | <b>7.20</b>    | <b>(56.37)</b> |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|          | <b>Particulars</b>                                         | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
|----------|------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>3</b> | <b>Deferred Tax Assets/( Liabilities) (Net)</b>            |                       |                       |                       |                       |                       |
|          | <b>Deferred tax liabilities</b>                            |                       |                       |                       |                       |                       |
|          | Depreciation                                               | (693.17)              | (386.05)              | (111.08)              | (126.42)              | (64.88)               |
|          | Other timing differences                                   | (4.21)                | (0.35)                | (0.35)                | (0.35)                | -                     |
|          |                                                            | (697.38)              | (386.40)              | (111.43)              | (126.77)              | (64.88)               |
|          | <b>Deferred tax assets</b>                                 |                       |                       |                       |                       |                       |
|          | Additional deduction u/s 35 AD of the Income Tax Act, 1961 | 837.72                | 406.74                | 43.75                 | 64.37                 | -                     |
|          | Unabsorbed depreciation loss                               | 9.83                  | 16.91                 | 16.91                 | 46.36                 | 64.88                 |
|          | Other timing differences                                   | 13.64                 | 13.21                 | 7.52                  | 5.50                  | 0.55                  |
|          |                                                            | 861.19                | 436.86                | 68.18                 | 116.23                | 65.43                 |
|          |                                                            | <b>163.81</b>         | <b>50.46</b>          | <b>(43.25)</b>        | <b>(10.54)</b>        | <b>0.55</b>           |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                                          | As at          |                |                |                |                |
|----------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                                                      | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>4 Long Term Provisions</b>                                        |                |                |                |                |                |
| <b>Provision for employee benefits:</b>                              |                |                |                |                |                |
| Provision for gratuity                                               | 0.37           | 1.11           | 0.23           | -              | -              |
| Provision for compensated absences                                   | 2.05           | 2.60           | 2.18           | 1.25           | 0.98           |
|                                                                      | <b>2.42</b>    | <b>3.71</b>    | <b>2.41</b>    | <b>1.25</b>    | <b>0.98</b>    |
| <b>5 Trade Payables</b>                                              |                |                |                |                |                |
| Trade payables (note below)                                          | 45.35          | 53.31          | 30.66          | 19.74          | 27.04          |
|                                                                      | <b>45.35</b>   | <b>53.31</b>   | <b>30.66</b>   | <b>19.74</b>   | <b>27.04</b>   |
| <b>6 Other Current Liabilities</b>                                   |                |                |                |                |                |
| Current maturities of long term debt (Refer Annexure VII A)          | 155.00         | 41.00          | -              | -              | -              |
| Interest accrued but not due on borrowings                           | 22.40          | 11.82          | -              | -              | -              |
| Capital creditors                                                    | 82.13          | 76.09          | 8.77           | 10.51          | 2.71           |
| Advance from customers                                               | 10.71          | 8.73           | 4.91           | 2.02           | 0.78           |
| Statutory dues (Including provident fund and tax deducted at source) | 8.64           | 6.22           | 6.11           | 4.70           | 5.18           |
| Employee benefits payable                                            | 10.05          | 7.37           | 6.90           | 4.30           | 2.66           |
| Other payables towards contractual obligations                       | 26.24          | 30.38          | 19.40          | 17.45          | 13.35          |
|                                                                      | <b>315.17</b>  | <b>181.61</b>  | <b>46.09</b>   | <b>38.98</b>   | <b>24.68</b>   |
| <b>7 Short- Term Provisions</b>                                      |                |                |                |                |                |
| <b>Provision for employee benefits:</b>                              |                |                |                |                |                |
| Provision for Gratuity                                               | 1.50           | 0.58           | 1.25           | -              | 0.41           |
| Provision for compensated absences                                   | 0.40           | 0.26           | 0.18           | 0.18           | 0.41           |
|                                                                      | <b>1.90</b>    | <b>0.84</b>    | <b>1.43</b>    | <b>0.18</b>    | <b>0.82</b>    |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**8 Tangible Assets and Intangible Assets**

**a For the year ended March 2014:**

(Rs. in Million)

**Tangible Assets**

|                           | <b>Gross Block</b> |                 |                             |                   | <b>Depreciation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|---------------------------|--------------------|-----------------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                           | April 01,<br>2013  | Additions       | (Disposals)<br>/Adjustments | March 31,<br>2014 | April 01,<br>2013   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2014 | March 31,<br>2014 | March 31,<br>2013 |
| <b>Own Assets:</b>        |                    |                 |                             |                   |                     |                 |                             |                   |                   |                   |
| Land [Note 1(a)]          | 74.27              | 2.64            | -                           | 76.91             | -                   | -               | -                           | -                 | 76.91             | 74.27             |
| Buildings [Note 2]        | 595.94             | 524.00          | -                           | 1,119.94          | 46.38               | 40.91           | -                           | 87.29             | 1,032.65          | 549.56            |
| Plant and Equipment       | 1,088.67           | 507.81          | (0.90)                      | 1,595.58          | 336.45              | 72.22           | (0.60)                      | 408.07            | 1,187.51          | 752.22            |
| Furniture and Fixtures    | 32.99              | 13.98           | (0.07)                      | 46.90             | 3.33                | 2.96            | (0.07)                      | 6.22              | 40.68             | 29.66             |
| Vehicles [Note 3]         | 190.71             | 11.34           | (10.44)                     | 191.61            | 63.79               | 26.66           | (10.39)                     | 80.06             | 111.55            | 126.92            |
| Office equipment          | 5.62               | 5.20            | (0.09)                      | 10.73             | 1.27                | 0.46            | (0.05)                      | 1.68              | 9.05              | 4.35              |
| Computer Equipment        | 14.53              | 2.59            | (0.16)                      | 16.96             | 5.22                | 2.39            | (0.12)                      | 7.49              | 9.47              | 9.31              |
|                           | <b>2,002.73</b>    | <b>1,067.56</b> | <b>(11.66)</b>              | <b>3,058.63</b>   | <b>456.44</b>       | <b>145.60</b>   | <b>(11.23)</b>              | <b>590.81</b>     | <b>2,467.82</b>   | <b>1,546.29</b>   |
| <b>Assets Under Lease</b> |                    |                 |                             |                   |                     |                 |                             |                   |                   |                   |
| Land on lease [Note 1(b)] | 23.25              | -               | -                           | 23.25             | 2.92                | 0.77            | -                           | 3.69              | 19.56             | 20.33             |
|                           | <b>23.25</b>       | <b>-</b>        | <b>-</b>                    | <b>23.25</b>      | <b>2.92</b>         | <b>0.77</b>     | <b>-</b>                    | <b>3.69</b>       | <b>19.56</b>      | <b>20.33</b>      |
| <b>Total</b>              | <b>2,025.98</b>    | <b>1,067.56</b> | <b>(11.66)</b>              | <b>3,081.88</b>   | <b>459.36</b>       | <b>146.37</b>   | <b>(11.23)</b>              | <b>594.50</b>     | <b>2,487.38</b>   | <b>1,566.62</b>   |
| <b>March 31, 2013</b>     | <b>1,122.78</b>    | <b>918.91</b>   | <b>(15.71)</b>              | <b>2,025.98</b>   | <b>384.76</b>       | <b>89.02</b>    | <b>(14.42)</b>              | <b>459.36</b>     | <b>1,566.62</b>   |                   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**a For the year ended March 2014:**

Notes:

1(a) Includes land with book value Rs. 1.03 Million (2013: Rs. 1.03 Million) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for a period of 99 years.

2. Includes Building with Gross Block value of Rs. 829.66 Million (2013: Rs. 263.20 Million) on lease hold land.

3. Vehicles include 'Trucks' used for "temperature controlled services", with gross book value of Rs. 186.09 Million (2013: Rs. 185.56 Million) and net book value Rs. 108.49 Million (2013: Rs. 123.40 Million).

4. Incidental expenditure capitalised during the year is Rs. 48.15 Million (2013: Rs. 35.76 Million).

**Intangible Assets**

(Rs. in Million)

|                       | Gross Block       |             |                             |                   | Amortisation      |                 |                             |                   | Net Block         |                   |
|-----------------------|-------------------|-------------|-----------------------------|-------------------|-------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                       | April 01,<br>2013 | Additions   | (Disposals)<br>/Adjustments | March 31,<br>2014 | April 01,<br>2013 | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2014 | March 31,<br>2014 | March 31,<br>2013 |
| Computer Software     | 11.75             | 8.49        | -                           | 20.24             | 4.26              | 3.34            | -                           | 7.60              | 12.64             | 7.49              |
| <b>Total</b>          | <b>11.75</b>      | <b>8.49</b> | -                           | <b>20.24</b>      | <b>4.26</b>       | <b>3.34</b>     | -                           | <b>7.60</b>       | <b>12.64</b>      | <b>7.49</b>       |
| <b>March 31, 2013</b> | <b>8.11</b>       | <b>3.64</b> | -                           | <b>11.75</b>      | <b>2.57</b>       | <b>1.69</b>     | -                           | <b>4.26</b>       | <b>7.49</b>       |                   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**b For the year ended March 2013:**

(Rs. in Million)

**Tangible Assets**

|                           | <b>Gross Block</b> |               |                             |                   | <b>Depreciation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|---------------------------|--------------------|---------------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                           | April 01,<br>2012  | Additions     | (Disposals)<br>/Adjustments | March 31,<br>2013 | April 01,<br>2012   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2013 | March 31,<br>2013 | March 31,<br>2012 |
| <b>Own Assets:</b>        |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land [Note 1(a)]          | 74.02              | 0.25          | -                           | 74.27             | -                   | -               | -                           | -                 | 74.27             | 74.02             |
| Buildings [Note 2]        | 211.16             | 384.78        | -                           | 595.94            | 30.99               | 15.39           | -                           | 46.38             | 549.56            | 180.17            |
| Plant and Equipment       | 652.78             | 438.12        | (2.23)                      | 1,088.67          | 290.13              | 47.82           | (1.50)                      | 336.45            | 752.22            | 362.65            |
| Furniture and Fixtures    | 19.51              | 13.72         | (0.24)                      | 32.99             | 1.93                | 1.59            | (0.19)                      | 3.33              | 29.66             | 17.58             |
| Vehicles [Note 3]         | 127.98             | 73.65         | (10.92)                     | 190.71            | 53.14               | 21.26           | (10.61)                     | 63.79             | 126.92            | 74.84             |
| Office equipment          | 4.10               | 1.66          | (0.14)                      | 5.62              | 1.13                | 0.22            | (0.08)                      | 1.27              | 4.35              | 2.97              |
| Computer Equipment        | 12.36              | 4.35          | (2.18)                      | 14.53             | 5.24                | 2.02            | (2.04)                      | 5.22              | 9.31              | 7.12              |
|                           | <b>1,101.91</b>    | <b>916.53</b> | <b>(15.71)</b>              | <b>2,002.73</b>   | <b>382.56</b>       | <b>88.30</b>    | <b>(14.42)</b>              | <b>456.44</b>     | <b>1,546.29</b>   | <b>719.35</b>     |
| <b>Assets Under Lease</b> |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land on lease [Note 1(b)] | 20.87              | 2.38          | -                           | 23.25             | 2.20                | 0.72            | -                           | 2.92              | 20.33             | 18.67             |
|                           | <b>20.87</b>       | <b>2.38</b>   | <b>-</b>                    | <b>23.25</b>      | <b>2.20</b>         | <b>0.72</b>     | <b>-</b>                    | <b>2.92</b>       | <b>20.33</b>      | <b>18.67</b>      |
| <b>Total</b>              | <b>1,122.78</b>    | <b>918.91</b> | <b>(15.71)</b>              | <b>2,025.98</b>   | <b>384.76</b>       | <b>89.02</b>    | <b>(14.42)</b>              | <b>459.36</b>     | <b>1,566.62</b>   | <b>738.02</b>     |
| <b>March 31, 2012</b>     | <b>910.74</b>      | <b>232.22</b> | <b>(20.18)</b>              | <b>1,122.78</b>   | <b>344.59</b>       | <b>57.15</b>    | <b>(16.98)</b>              | <b>384.76</b>     | <b>738.02</b>     |                   |

# Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)

Notes:

1(a) Includes land with book value Rs. 1.03 Million (2012: Rs. 1.03 Million) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for a period of 99 years.

2. Includes Building with Gross Block value of Rs. 263.20 Million (2012: Rs. 86.07 Million) on lease hold land.

3. Vehicles include 'Trucks' used for "temperature controlled services", with gross book value of Rs. 185.56 Million (2012: Rs. 123.59 Million) and net book value Rs. 123.40 Million (2012: Rs. 74.18 Million).

4. Incidental expenditure capitalised during the year is Rs. 35.76 Million (2012: Rs. 1.59 Million).

## Intangible Assets

(Rs. in Million)

|                       | Gross Block       |             |                             |                   | Amortisation      |                 |                             |                   | Net Block         |                   |
|-----------------------|-------------------|-------------|-----------------------------|-------------------|-------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                       | April 01,<br>2012 | Additions   | (Disposals)<br>/Adjustments | March 31,<br>2013 | April 01,<br>2012 | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2013 | March 31,<br>2013 | March 31,<br>2012 |
| Computer Software     | 8.11              | 3.64        | -                           | 11.75             | 2.57              | 1.69            | -                           | 4.26              | 7.49              | 5.54              |
| <b>Total</b>          | <b>8.11</b>       | <b>3.64</b> | <b>-</b>                    | <b>11.75</b>      | <b>2.57</b>       | <b>1.69</b>     | <b>-</b>                    | <b>4.26</b>       | <b>7.49</b>       | <b>5.54</b>       |
| <b>March 31, 2012</b> | <b>10.16</b>      | <b>-</b>    | <b>(2.05)</b>               | <b>8.11</b>       | <b>3.00</b>       | <b>1.62</b>     | <b>(2.05)</b>               | <b>2.57</b>       | <b>5.54</b>       |                   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**c For the year ended March 2012:**

(Rs. in Million)

**Tangible Assets**

|                           | <b>Gross Block</b> |               |                             |                   | <b>Depreciation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|---------------------------|--------------------|---------------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                           | April 01,<br>2011  | Additions     | (Disposals)<br>/Adjustments | March 31,<br>2012 | April 01,<br>2011   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2012 | March 31,<br>2012 | March 31,<br>2011 |
| <b>Own Assets:</b>        |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land [Note 1(a)]          | 57.72              | 16.30         | -                           | 74.02             | -                   | -               | -                           | -                 | 74.02             | 57.72             |
| Buildings [Note 2]        | 157.80             | 53.39         | (0.03)                      | 211.16            | 23.31               | 7.69            | (0.01)                      | 30.99             | 180.17            | 134.49            |
| Plant and Equipment       | 567.24             | 87.08         | (1.54)                      | 652.78            | 256.48              | 34.89           | (1.24)                      | 290.13            | 362.65            | 310.76            |
| Furniture and Fixtures    | 9.05               | 14.96         | (4.50)                      | 19.51             | 3.19                | 0.75            | (2.01)                      | 1.93              | 17.58             | 5.86              |
| Vehicles [Note 3]         | 87.25              | 49.25         | (8.52)                      | 127.98            | 50.71               | 10.95           | (8.52)                      | 53.14             | 74.84             | 36.54             |
| Office equipment          | 3.21               | 1.44          | (0.55)                      | 4.10              | 1.23                | 0.34            | (0.44)                      | 1.13              | 2.97              | 1.98              |
| Computer Equipment        | 13.70              | 3.53          | (4.87)                      | 12.36             | 8.42                | 1.58            | (4.76)                      | 5.24              | 7.12              | 5.28              |
|                           | <b>895.97</b>      | <b>225.95</b> | <b>(20.01)</b>              | <b>1,101.91</b>   | <b>343.34</b>       | <b>56.20</b>    | <b>(16.98)</b>              | <b>382.56</b>     | <b>719.35</b>     | <b>552.63</b>     |
| <b>Assets Under Lease</b> |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land on lease [Note 1(b)] | 14.77              | 6.27          | (0.17)                      | 20.87             | 1.25                | 0.95            | -                           | 2.20              | 18.67             | 13.52             |
|                           | <b>14.77</b>       | <b>6.27</b>   | <b>(0.17)</b>               | <b>20.87</b>      | <b>1.25</b>         | <b>0.95</b>     | <b>-</b>                    | <b>2.20</b>       | <b>18.67</b>      | <b>13.52</b>      |
| <b>Total</b>              | <b>910.74</b>      | <b>232.22</b> | <b>(20.18)</b>              | <b>1,122.78</b>   | <b>344.59</b>       | <b>57.15</b>    | <b>(16.98)</b>              | <b>384.76</b>     | <b>738.02</b>     | <b>566.15</b>     |
| <b>March 31, 2011</b>     | <b>605.38</b>      | <b>306.89</b> | <b>(1.53)</b>               | <b>910.74</b>     | <b>306.49</b>       | <b>39.26</b>    | <b>(1.16)</b>               | <b>344.59</b>     | <b>566.15</b>     |                   |

# Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)

Notes:

1(a) Includes Land with book value Rs. 1.03 Million (2011: Rs. 1.03 Million) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for a period of 99 years.

2. Includes Building with Gross Block value of Rs. 86.07 Million (2011: Rs. 42.36 Million) on lease hold land.

3. Vehicles include 'Trucks' used for "temperature controlled services", with gross book value of Rs. 123.59 Million (2011: Rs. 82.59 Million) and net book value Rs. 74.18 Million (2011: Rs. 35.21 Million).

4. Incidental expenditure capitalised during the year is Rs. 1.59 Million (2011: Rs. 3.47 Million).

## Intangible assets

(Rs. in Million)

|                       | Gross Block       |             |                             |                   | Amortisation      |                 |                             |                   | Net Block         |                   |
|-----------------------|-------------------|-------------|-----------------------------|-------------------|-------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                       | April 01,<br>2011 | Additions   | (Disposals)<br>/Adjustments | March 31,<br>2012 | April 01,<br>2011 | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2012 | March 31,<br>2012 | March 31,<br>2011 |
| Computer Software     | 10.16             | -           | (2.05)                      | 8.11              | 3.00              | 1.62            | (2.05)                      | 2.57              | 5.54              | 7.16              |
| <b>Total</b>          | <b>10.16</b>      | <b>-</b>    | <b>(2.05)</b>               | <b>8.11</b>       | <b>3.00</b>       | <b>1.62</b>     | <b>(2.05)</b>               | <b>2.57</b>       | <b>5.54</b>       | <b>7.16</b>       |
| <b>March 31, 2011</b> | <b>2.05</b>       | <b>8.11</b> | <b>-</b>                    | <b>10.16</b>      | <b>2.05</b>       | <b>0.95</b>     | <b>-</b>                    | <b>3.00</b>       | <b>7.16</b>       |                   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**d For the year ended March 2011:**

(Rs. in Million)

**Tangible Assets**

|                           | <b>Gross Block</b> |               |                             |                   | <b>Depreciation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|---------------------------|--------------------|---------------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                           | April 01,<br>2010  | Additions     | (Disposals)<br>/Adjustments | March 31,<br>2011 | April 01,<br>2010   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2011 | March 31,<br>2011 | March 31,<br>2010 |
| <b>Own Assets:</b>        |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land [Note 1(a)]          | 12.02              | 45.70         | -                           | 57.72             | -                   | -               | -                           | -                 | 57.72             | 12.02             |
| Buildings [Note 2]        | 62.69              | 95.11         | -                           | 157.80            | 19.24               | 4.07            | -                           | 23.31             | 134.49            | 43.45             |
| Plant and Equipment       | 450.18             | 117.38        | (0.32)                      | 567.24            | 227.38              | 29.28           | (0.18)                      | 256.48            | 310.76            | 222.80            |
| Furniture and Fixtures    | 7.78               | 1.57          | (0.30)                      | 9.05              | 3.05                | 0.42            | (0.28)                      | 3.19              | 5.86              | 4.73              |
| Vehicles [Note 3]         | 53.18              | 34.27         | (0.20)                      | 87.25             | 47.12               | 3.78            | (0.19)                      | 50.71             | 36.54             | 6.06              |
| Office equipment          | 3.29               | 0.30          | (0.38)                      | 3.21              | 1.27                | 0.17            | (0.21)                      | 1.23              | 1.98              | 2.02              |
| Computer Equipment        | 10.18              | 3.85          | (0.33)                      | 13.70             | 7.56                | 1.16            | (0.30)                      | 8.42              | 5.28              | 2.62              |
|                           | <b>599.32</b>      | <b>298.18</b> | <b>(1.53)</b>               | <b>895.97</b>     | <b>305.62</b>       | <b>38.88</b>    | <b>(1.16)</b>               | <b>343.34</b>     | <b>552.63</b>     | <b>293.70</b>     |
| <b>Assets Under Lease</b> |                    |               |                             |                   |                     |                 |                             |                   |                   |                   |
| Land on lease [Note 1(b)] | 6.06               | 8.71          | -                           | 14.77             | 0.87                | 0.38            | -                           | 1.25              | 13.52             | 5.19              |
|                           | <b>6.06</b>        | <b>8.71</b>   | <b>-</b>                    | <b>14.77</b>      | <b>0.87</b>         | <b>0.38</b>     | <b>-</b>                    | <b>1.25</b>       | <b>13.52</b>      | <b>5.19</b>       |
| <b>Total</b>              | <b>605.38</b>      | <b>306.89</b> | <b>(1.53)</b>               | <b>910.74</b>     | <b>306.49</b>       | <b>39.26</b>    | <b>(1.16)</b>               | <b>344.59</b>     | <b>566.15</b>     | <b>298.89</b>     |
| <b>March 31, 2010</b>     | <b>563.97</b>      | <b>43.01</b>  | <b>(1.60)</b>               | <b>605.38</b>     | <b>271.64</b>       | <b>36.10</b>    | <b>(1.25)</b>               | <b>306.49</b>     | <b>298.89</b>     |                   |

## Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)

Notes:

1(a) Includes Land with book value Rs. 1.03 Million (2010: Rs. 4.68 Million) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for a period of 99 years.

2. Includes Building with Gross Block value of Rs. 42.36 Million (2010: NIL) on lease hold land

3. Vehicles include 'Trucks' used for "temperature controlled services", with gross book value of Rs. 82.59 Million (2010: Rs. 49.89 Million) and net book value Rs. 35.21 Million (2010: Rs. 4.60 Million).

4. Incidental expenditure capitalised during the year is Rs. 3.47 Million (2010: NIL).

### Intangible assets

|                       | Gross Block       |             |                             |                   | Amortisation      |                 |                             |                   | Net Block         |                   |
|-----------------------|-------------------|-------------|-----------------------------|-------------------|-------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                       | April 01,<br>2010 | Additions   | (Disposals)<br>/Adjustments | March 31,<br>2011 | April 01,<br>2010 | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2011 | March 31,<br>2011 | March 31,<br>2010 |
| Computer Software     | 2.05              | 8.11        | -                           | 10.16             | 2.05              | 0.95            | -                           | 3.00              | 7.16              | -                 |
| <b>Total</b>          | <b>2.05</b>       | <b>8.11</b> | -                           | <b>10.16</b>      | <b>2.05</b>       | <b>0.95</b>     | -                           | <b>3.00</b>       | <b>7.16</b>       | -                 |
| <b>March 31, 2010</b> | <b>2.05</b>       | -           | -                           | <b>2.05</b>       | <b>2.05</b>       | -               | -                           | <b>2.05</b>       | -                 |                   |

(Rs. in Million)

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**e For the year ended March 2010:**

(Rs. in Million)

**Tangible Assets**

|                           | <b>Gross Block</b> |              |                             |                   | <b>Depreciation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|---------------------------|--------------------|--------------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                           | April 01,<br>2009  | Additions    | (Disposals)<br>/Adjustments | March 31,<br>2010 | April 01,<br>2009   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2010 | March 31,<br>2010 | March 31,<br>2009 |
| <b>Own Assets:</b>        |                    |              |                             |                   |                     |                 |                             |                   |                   |                   |
| Land [Note 1(a)]          | 11.24              | 0.78         | -                           | 12.02             | -                   | -               | -                           | -                 | 12.02             | 11.24             |
| Buildings                 | 60.26              | 2.43         | -                           | 62.69             | 17.03               | 2.21            | -                           | 19.24             | 43.45             | 43.23             |
| Plant and Equipment       | 413.52             | 36.76        | (0.10)                      | 450.18            | 203.45              | 23.97           | (0.04)                      | 227.38            | 222.80            | 210.07            |
| Furniture and Fixtures    | 6.90               | 0.89         | (0.01)                      | 7.78              | 2.67                | 0.38            | -                           | 3.05              | 4.73              | 4.23              |
| Vehicles [Note 2]         | 53.58              | 0.83         | (1.23)                      | 53.18             | 40.45               | 7.69            | (1.02)                      | 47.12             | 6.06              | 13.13             |
| Office equipment          | 3.03               | 0.33         | (0.07)                      | 3.29              | 1.10                | 0.19            | (0.02)                      | 1.27              | 2.02              | 1.93              |
| Computer Equipment        | 9.38               | 0.99         | (0.19)                      | 10.18             | 6.94                | 0.79            | (0.17)                      | 7.56              | 2.62              | 2.44              |
|                           | <b>557.91</b>      | <b>43.01</b> | <b>(1.60)</b>               | <b>599.32</b>     | <b>271.64</b>       | <b>35.23</b>    | <b>(1.25)</b>               | <b>305.62</b>     | <b>293.70</b>     | <b>286.27</b>     |
| <b>Assets Under Lease</b> |                    |              |                             |                   |                     |                 |                             |                   |                   |                   |
| Land on lease [Note 1(b)] | 6.06               | -            | -                           | 6.06              | -                   | 0.87            | -                           | 0.87              | 5.19              | 6.06              |
|                           | <b>6.06</b>        | <b>-</b>     | <b>-</b>                    | <b>6.06</b>       | <b>-</b>            | <b>0.87</b>     | <b>-</b>                    | <b>0.87</b>       | <b>5.19</b>       | <b>6.06</b>       |
| <b>Total</b>              | <b>563.97</b>      | <b>43.01</b> | <b>(1.60)</b>               | <b>605.38</b>     | <b>271.64</b>       | <b>36.10</b>    | <b>(1.25)</b>               | <b>306.49</b>     | <b>298.89</b>     | <b>292.33</b>     |
| <b>March 31, 2009</b>     | <b>558.41</b>      | <b>24.32</b> | <b>(18.76)</b>              | <b>563.97</b>     | <b>251.82</b>       | <b>34.06</b>    | <b>(14.24)</b>              | <b>271.64</b>     | <b>292.33</b>     |                   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

Notes:

1(a) Includes Land with book value Rs. 4.68 Million (2009: Rs. 4.68 Million) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for a period of 99 years.

2. Vehicles include 'Trucks' used for "temperature controlled services", with gross book value of Rs. 49.89 Million (2009: Rs. 49.88 Million) and net book value Rs. 4.60 Million (2009: Rs. 11.15 Million).

**Intangible assets**

(Rs. in Million)

|                       | <b>Gross Block</b> |           |                             |                   | <b>Amortisation</b> |                 |                             |                   | <b>Net Block</b>  |                   |
|-----------------------|--------------------|-----------|-----------------------------|-------------------|---------------------|-----------------|-----------------------------|-------------------|-------------------|-------------------|
|                       | April 01,<br>2009  | Additions | (Disposals)<br>/Adjustments | March 31,<br>2010 | April 01,<br>2009   | For the<br>Year | (Disposals)<br>/Adjustments | March 31,<br>2010 | March 31,<br>2010 | March 31,<br>2009 |
| Computer Software     | 2.05               | -         | -                           | 2.05              | 2.05                | -               | -                           | 2.05              | -                 | -                 |
| <b>Total</b>          | <b>2.05</b>        | -         | -                           | <b>2.05</b>       | <b>2.05</b>         | -               | -                           | <b>2.05</b>       | -                 | -                 |
| <b>March 31, 2009</b> | <b>2.05</b>        | -         | -                           | <b>2.05</b>       | <b>2.05</b>         | -               | -                           | <b>2.05</b>       | -                 | -                 |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|             |                                                                                                  | As at          |                |                |                |                |
|-------------|--------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Particulars |                                                                                                  | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>9</b>    | <b>Other Non-Current Assets</b>                                                                  |                |                |                |                |                |
|             | <b>Others</b>                                                                                    |                |                |                |                |                |
|             | Long term deposits with bank with maturity period more than 12 months [Refer Note below]         | 1.40           | 1.23           | 2.11           | -              | 1.75           |
|             |                                                                                                  | <b>1.40</b>    | <b>1.23</b>    | <b>2.11</b>    | <b>-</b>       | <b>1.75</b>    |
|             | Note: Held as lien by bank against bank guarantee.                                               |                |                |                |                |                |
| <b>10</b>   | <b>Inventories</b>                                                                               |                |                |                |                |                |
|             | <b>Traded Goods</b>                                                                              |                |                |                |                |                |
|             | Fruits                                                                                           | -              | -              | 0.54           | -              | -              |
|             |                                                                                                  | <b>-</b>       | <b>-</b>       | <b>0.54</b>    | <b>-</b>       | <b>-</b>       |
| <b>11</b>   | <b>Cash and Bank Balances</b>                                                                    |                |                |                |                |                |
|             | <b>Cash and Cash equivalents</b>                                                                 |                |                |                |                |                |
|             | Cash on hand                                                                                     | 0.98           | 1.49           | 0.28           | 0.28           | 0.30           |
|             | Cheques on hand                                                                                  | 0.61           | 4.66           | 3.92           | 0.56           | 0.49           |
|             | Bank Balances :                                                                                  | -              |                |                |                |                |
|             | In current accounts                                                                              | 28.34          | 37.70          | 17.04          | 12.06          | 9.28           |
|             | demand deposits (less than 3 months maturity)                                                    | 120.05         | 20.00          | 110.22         | 270.63         | 424.39         |
|             |                                                                                                  | <b>149.98</b>  | <b>63.85</b>   | <b>131.46</b>  | <b>283.53</b>  | <b>434.46</b>  |
|             | <b>Other bank balance</b>                                                                        |                |                |                |                |                |
|             | - Long term deposits with maturity more than 3 months but less than 12 months [Refer Note below] | 10.96          | 9.45           | 9.09           | 9.60           | 5.25           |
|             |                                                                                                  | <b>10.96</b>   | <b>9.45</b>    | <b>9.09</b>    | <b>9.60</b>    | <b>5.25</b>    |
|             |                                                                                                  | <b>160.94</b>  | <b>73.30</b>   | <b>140.55</b>  | <b>293.13</b>  | <b>439.71</b>  |
|             | Note: Held as lien by bank against bank guarantee.                                               |                |                |                |                |                |
| <b>12</b>   | <b>Other Current Assets</b>                                                                      |                |                |                |                |                |
|             | Interest accrued on fixed deposit                                                                | 4.01           | 1.12           | 1.26           | 0.61           | 7.04           |
|             |                                                                                                  | <b>4.01</b>    | <b>1.12</b>    | <b>1.26</b>    | <b>0.61</b>    | <b>7.04</b>    |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|    |                                                 | For the year ended |                 |                |                |                |
|----|-------------------------------------------------|--------------------|-----------------|----------------|----------------|----------------|
|    | Particulars                                     | March 31, 2014     | March 31, 2013  | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| 13 | <b>Revenue</b>                                  |                    |                 |                |                |                |
|    | Sale of traded goods                            | -                  | 8.77            | 3.39           | -              | -              |
|    | <b>Sale of Services :</b>                       |                    |                 |                |                |                |
|    | Income from temperature controlled services     | 1,510.25           | 915.98          | 585.38         | 438.73         | 321.99         |
|    | Income from ambient services                    | 15.50              | 201.43          | 14.12          | -              | -              |
|    | Income from consignment agency services         | 8.32               | 10.77           | 11.07          | 12.93          | 23.71          |
|    |                                                 | <b>1,534.07</b>    | <b>1,136.95</b> | <b>613.96</b>  | <b>451.66</b>  | <b>345.70</b>  |
|    | <b>Details of Sales (Traded goods)</b>          |                    |                 |                |                |                |
|    | Fruits                                          | -                  | 8.77            | 3.39           | -              | -              |
|    |                                                 | -                  | <b>8.77</b>     | <b>3.39</b>    | -              | -              |
| 14 | <b>Operating expenses</b>                       |                    |                 |                |                |                |
|    | Power charges                                   | 114.21             | 80.45           | 55.82          | 45.63          | 35.27          |
|    | Cold storage rent                               | 54.62              | 35.69           | 21.51          | 18.44          | 14.72          |
|    | Labour charges                                  | 60.10              | 36.34           | 30.20          | 20.04          | 15.54          |
|    | Repairs and maintenance:                        |                    |                 |                |                |                |
|    | -Plant and Machinery                            | 17.25              | 9.34            | 11.44          | 10.45          | 6.40           |
|    | -Vehicles                                       | 25.24              | 19.57           | 15.91          | 17.16          | 13.46          |
|    | Security and other charges                      | 27.51              | 15.19           | 14.06          | 8.79           | 7.83           |
|    | Vehicle running expenses                        | 127.40             | 67.41           | 29.73          | 19.28          | 16.30          |
|    | Vehicle fuel expenses                           | 333.42             | 145.53          | 82.27          | 47.94          | 37.57          |
|    | Hire charges- vehicles and containers           | 142.65             | 242.49          | 57.70          | 48.19          | 31.61          |
|    |                                                 | <b>902.40</b>      | <b>652.01</b>   | <b>318.64</b>  | <b>235.92</b>  | <b>178.70</b>  |
| 15 | <b>Changes in inventories of Stock-in-Trade</b> |                    |                 |                |                |                |
|    | (Increase)/decrease in stocks                   |                    |                 |                |                |                |
|    | <b>Stock at the end of the year:</b>            |                    |                 |                |                |                |
|    | Traded goods                                    | -                  | -               | 0.54           | -              | -              |
|    |                                                 | -                  | -               | <b>0.54</b>    | -              | -              |
|    | <b>Stock at the beginning of the year:</b>      |                    |                 |                |                |                |
|    | Traded goods                                    | -                  | 0.54            | -              | -              | -              |
|    |                                                 | -                  | <b>0.54</b>     | -              | -              | -              |
|    | <b>Change in stocks</b>                         | -                  | <b>0.54</b>     | <b>(0.54)</b>  | -              | -              |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|    |                                              | For the year ended |                |                |                |                |
|----|----------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|    | Particulars                                  | March 31, 2014     | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| 16 | <b>Employee Benefit Expense</b>              |                    |                |                |                |                |
|    | Salaries and wages                           | 121.77             | 106.86         | 79.84          | 60.12          | 52.19          |
|    | Employees Stock Options Expense              | 1.44               | -              | -              | -              | -              |
|    | Contribution to provident and other funds    | 9.87               | 8.27           | 7.25           | 3.93           | 3.58           |
|    | Staff welfare expenses                       | 18.84              | 14.19          | 10.56          | 6.98           | 5.02           |
|    |                                              | <b>151.92</b>      | <b>129.32</b>  | <b>97.65</b>   | <b>71.03</b>   | <b>60.79</b>   |
| 17 | <b>Finance Costs</b>                         |                    |                |                |                |                |
|    | Interest expense                             | 111.79             | 23.03          | 0.29           | 0.06           | 0.24           |
|    | Interest on shortfall of advance tax         | -                  | 0.96           | 0.24           | -              | -              |
|    |                                              | <b>111.79</b>      | <b>23.99</b>   | <b>0.53</b>    | <b>0.06</b>    | <b>0.24</b>    |
| 18 | <b>Depreciation and Amortisation Expense</b> |                    |                |                |                |                |
|    | Depreciation on tangible assets              | 146.37             | 89.02          | 57.15          | 39.26          | 36.10          |
|    | Amortisation on intangible assets            | 3.34               | 1.69           | 1.62           | 0.95           | -              |
|    |                                              | <b>149.71</b>      | <b>90.71</b>   | <b>58.77</b>   | <b>40.21</b>   | <b>36.10</b>   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|           | Particulars                                 | March 31, 2014 | March 31, 2013 | For the year ended |                | March 31, 2010 |
|-----------|---------------------------------------------|----------------|----------------|--------------------|----------------|----------------|
|           |                                             |                |                | March 31, 2012     | March 31, 2011 |                |
| <b>19</b> | <b>Other Expenses</b>                       |                |                |                    |                |                |
|           | Rent                                        | 3.33           | 3.78           | 3.02               | 6.16           | 4.04           |
|           | Electricity charges                         | 0.09           | 0.18           | 0.50               | 0.50           | 0.33           |
|           | Printing and stationary                     | 5.54           | 4.24           | 2.95               | 2.18           | 1.76           |
|           | Insurance                                   | 6.79           | 5.93           | 3.79               | 3.94           | 3.53           |
|           | Rates and taxes                             | 7.56           | 3.58           | 4.18               | 4.61           | 3.79           |
|           | Legal and professional charges              | 6.12           | 5.71           | 3.37               | 2.46           | 2.65           |
|           | Auditors remuneration                       |                |                |                    |                |                |
|           | Audit Fee                                   | 1.49           | 1.49           | 1.49               | 1.35           | 1.00           |
|           | Other services                              | -              | -              | -                  | 0.02           | -              |
|           | Out of pocket expenses                      | 0.07           | 0.08           | 0.03               | 0.04           | 0.01           |
|           | Communication                               | 9.00           | 6.30           | 5.40               | 4.84           | 4.38           |
|           | Travelling and conveyance                   | 24.67          | 17.81          | 12.45              | 10.27          | 8.47           |
|           | Recruitment and Training                    | 1.02           | 0.61           | 0.93               | 0.96           | 0.40           |
|           | Bad debts/advances written off              | 15.81          | -              | 7.92               | 0.41           | 0.04           |
|           | Less: Provision for doubtful debts adjusted | (15.81)        | -              | -                  | -              | -              |
|           | Provision for doubtful debts and advances   | 17.36          | 19.82          | 9.31               | 10.32          | 15.67          |
|           | Assets written off                          | 0.22           | 0.62           | 0.69               | 0.34           | 0.20           |
|           | Selling and distribution                    | 2.37           | 7.05           | 3.00               | 1.94           | 2.04           |
|           | Repairs and maintenance -others             | 3.10           | 3.59           | 1.78               | -              | -              |
|           | Miscellaneous expense                       | 10.88          | 11.09          | 4.60               | 4.34           | 3.53           |
|           |                                             | <b>99.61</b>   | <b>91.88</b>   | <b>65.41</b>       | <b>54.68</b>   | <b>51.84</b>   |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|           | <b>Particulars</b>                                                      | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
|-----------|-------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>20</b> | <b>Tax Expense</b>                                                      |                       |                       |                       |                       |                       |
|           | <b>Tax Expense</b>                                                      |                       |                       |                       |                       |                       |
|           | Current year tax (MAT)                                                  | 29.32                 | 30.52                 | 13.74                 | 9.24                  | -                     |
|           | Add/(Less): MAT credit entitlement related to earlier years written off | -                     | 14.10                 | (8.88)                | -                     | -                     |
|           |                                                                         | <b>29.32</b>          | <b>44.62</b>          | <b>4.86</b>           | <b>9.24</b>           | <b>-</b>              |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million, unless otherwise stated)

**21 Employee Stock Option Plan**

**Snowman Logistics Limited Stock Option Plan 2012 (ESOP 2012):**

Pursuant to the resolution passed by the Shareholders at the Extraordinary General Meeting held on April 24, 2012, the Company had introduced new ESOP scheme for eligible Directors and employees of the Company. Under the scheme, options for 5,145,350 (fifty one lakh forty five thousand three hundred and fifty) shares would be available for being granted to eligible employees of the Company and each option (after it is vested) will be exercisable for one equity share of Rs. 10.60 and Rs. 15.40. Compensation Committee finalises the specific number of options to be granted to the employees. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant.

| Particulars                                                                                                                                            | ESOP Grant I                                                                                                                                                                                                 | ESOP Grant II                           | ESOP Grant III                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Date of meeting of ESOP Committee / Board of Directors/ Shareholders, granting the options                                                             | April 24, 2012                                                                                                                                                                                               | February 05, 2013                       | August 01, 2013                         |
| First grant of options by ESOP Committee / Board of Directors (No. of Equity Shares of Face value Rs. 10 each)                                         | 2,125,000                                                                                                                                                                                                    | 765,000                                 | 170,000                                 |
| Vesting period: The options would vest not earlier than one year and not later than 4th (forth) year from the date of grant i.e from the date of grant | May 01, 2012                                                                                                                                                                                                 | February 05, 2013                       | August 01, 2013                         |
| Exercise Period                                                                                                                                        | Within 5 years from the date of vesting                                                                                                                                                                      | Within 5 years from the date of vesting | Within 5 years from the date of vesting |
| Exercise Price                                                                                                                                         | Rs. 10.60 per share                                                                                                                                                                                          | Rs. 10.60 per share                     | Rs.15.40 per share                      |
| Options outstanding as on March 31, 2014 (No. of Equity Shares)                                                                                        | 1,167,000                                                                                                                                                                                                    | 419,000                                 | 170,000                                 |
| Date of Closing Market Price on National Stock Exchange for computation of Fair Value                                                                  | NA                                                                                                                                                                                                           | NA                                      | NA                                      |
| Method of Accounting and Intrinsic Value                                                                                                               | The excess of Fair Value (Market Value of the shares) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period. |                                         |                                         |

**As at**

|                                                            | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
|------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Outstanding at the beginning of the year                   | 2,890,000      | -              | -              | -              | -              |
| Granted during the year                                    | 170,000        | 2,890,000      | -              | -              | -              |
| Forfeited /Expired during the year                         | 248,000        | -              | -              | -              | -              |
| Exercised during the year [refer note 1 (c) on Annexure V] | 1,056,000      | -              | -              | -              | -              |
| Outstanding at the end of the year                         | 1,756,000      | 2,890,000      | -              | -              | -              |
| Exercisable at the end of the year                         | 20,000         | 2,890,000      | -              | -              | -              |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

**22 Contingent Liabilities**

| <b>Particulars</b>                                              | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
|-----------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Bank Guarantees                                                 | 7.72                  | 6.21                  | 6.25                  | 4.36                  | 5.10                  |
| Income Tax Matters (Amount paid under protest Rs. 0.57 Million) | 0.77                  | 0.77                  | 0.77                  | 0.77                  | 0.77                  |
| Wealth Tax Matters (Amount paid under protest Rs. 0.30 Million) | 0.30                  | 0.30                  | 0.30                  | 0.76                  | 0.76                  |
| Sales Tax Matters (Amount paid under protest Rs. 0.48 Million)  | 1.26                  | -                     | -                     | -                     | -                     |
|                                                                 | <b>10.05</b>          | <b>7.28</b>           | <b>7.32</b>           | <b>5.89</b>           | <b>6.63</b>           |

**Notes:**

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

There is no impact in the Restated Statement of Profit and Loss with respect to the Wealth Tax movement, as the amount is shown as receivable in the books of the Company.

**Commitments**

**(a) Capital Commitments**

|                                                                                                |               |               |               |              |              |
|------------------------------------------------------------------------------------------------|---------------|---------------|---------------|--------------|--------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 342.11        | 152.72        | 264.41        | 33.09        | 38.78        |
|                                                                                                | <b>342.11</b> | <b>152.72</b> | <b>264.41</b> | <b>33.09</b> | <b>38.78</b> |

**(b) Other Commitments**

|                                                                                                |          |        |        |        |       |
|------------------------------------------------------------------------------------------------|----------|--------|--------|--------|-------|
| The Company has non- cancellable operating leases for land used for construction of warehouses | 1,874.97 | 768.76 | 313.92 | 210.19 | 44.15 |
|------------------------------------------------------------------------------------------------|----------|--------|--------|--------|-------|

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

**23 Related Party Disclosures**

₹

(a) Names of related parties and nature of relationship:

Holding Company: Gateway Distriparks Limited.

Fellow Subsidiary Companies:

1. Gateway East India Private Limited.
2. Gateway Distriparks (South) Private Limited.
3. Gateway Distriparks (Kerala) Limited.
4. Gateway Rail Freight Limited.

Key Management Personnel:  
(KMP) Mr. Ravi Kannan, CEO and Director.

(b) Details of transactions with related parties:

| Particulars                                | As at/For the year ended |                       |                   |                        |                   |                        |                   |                        |                   |                        |
|--------------------------------------------|--------------------------|-----------------------|-------------------|------------------------|-------------------|------------------------|-------------------|------------------------|-------------------|------------------------|
|                                            | March 31, 2014           |                       | March 31, 2013    |                        | March 31, 2012    |                        | March 31, 2011    |                        | March 31, 2010    |                        |
|                                            | Transaction Value        | Receivable/ (Payable) | Transaction Value | Receivable / (Payable) | Transaction Value | Receivable / (Payable) | Transaction Value | Receivable / (Payable) | Transaction Value | Receivable / (Payable) |
| <b>Key Management Personnel (KMP)</b>      |                          |                       |                   |                        |                   |                        |                   |                        |                   |                        |
| Remuneration (Refer Note 1)                | 9.13                     | -                     | 8.34              | -                      | 7.95              | -                      | 4.65              | -                      | 4.65              | -                      |
| Advances given during the year             | -                        | -                     | -                 | -                      | -                 | -                      | -                 | 0.83                   | -                 | 1.25                   |
| Add: Excess remuneration recoverable       | -                        | -                     | -                 | -                      | -                 | -                      | -                 | -                      | -                 | 2.17                   |
| Less: Recovery/Adjustments during the year | -                        | -                     | -                 | -                      | -                 | 2.82                   | -                 | 1.36                   | -                 | 1.31                   |
| Amount outstanding at the year end         | -                        | -                     | -                 | -                      | -                 | -                      | -                 | 2.82                   | -                 | 3.35                   |
| <b>Holding Company</b>                     |                          |                       |                   |                        |                   |                        |                   |                        |                   |                        |
| Reimbursement of expenses paid             | 0.43                     | -                     | 0.19              | -                      | -                 | -                      | -                 | -                      | -                 | -                      |
| Reimbursement of expenses received         | (0.65)                   | -                     | -                 | -                      | -                 | -                      | -                 | -                      | -                 | -                      |
| <b>Fellow Subsidiaries</b>                 |                          |                       |                   |                        |                   |                        |                   |                        |                   |                        |
| Reimbursement of expenses paid             | -                        | -                     | -                 | -                      | 0.20              | -                      | -                 | -                      | -                 | -                      |

Notes:

1. Provision for group gratuity, which is based on actuarial valuation done on overall Company basis, is excluded.
2. Gateway Distriparks Limited, the holding company has issued Corporate Guarantee of Rs. 1,980.00 Million towards long term and short term borrowings of the Company.

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**24 Segment Information**

**Segment Information as required by the Accounting Standard 17:**

|                                                    | <b>March 31, 2014</b>                  |                             |                 | <b>March 31, 2013</b>                  |                             |                 | <b>March 31, 2012</b>                  |                             |                 |
|----------------------------------------------------|----------------------------------------|-----------------------------|-----------------|----------------------------------------|-----------------------------|-----------------|----------------------------------------|-----------------------------|-----------------|
| <b>Business Segment</b>                            | <b>Temperature Controlled Services</b> | <b>Ambient Distribution</b> | <b>Total</b>    | <b>Temperature Controlled Services</b> | <b>Ambient Distribution</b> | <b>Total</b>    | <b>Temperature Controlled Services</b> | <b>Ambient Distribution</b> | <b>Total</b>    |
| <b>Segment Revenue</b>                             |                                        |                             |                 |                                        |                             |                 |                                        |                             |                 |
| External Sales                                     | 1,518.57                               | 15.50                       | 1,534.07        | 926.75                                 | 201.43                      | 1,128.18        | 596.45                                 | 14.12                       | 610.57          |
| Unidentified segments                              |                                        |                             | -               |                                        |                             | 8.77            |                                        |                             | 3.39            |
| <b>Total Revenue</b>                               | <b>1,518.57</b>                        | <b>15.50</b>                | <b>1,534.07</b> | <b>926.75</b>                          | <b>201.43</b>               | <b>1,136.95</b> | <b>596.45</b>                          | <b>14.12</b>                | <b>613.96</b>   |
| <b>Result</b>                                      |                                        |                             |                 |                                        |                             |                 |                                        |                             |                 |
| Segment Result                                     | 353.96                                 | (0.67)                      | 353.29          | 238.32                                 | (4.03)                      | 234.29          | 167.59                                 | 0.46                        | 168.05          |
| Unallocated Corporate expenses (less income)       | -                                      | -                           | 110.84          | -                                      | -                           | 76.69           | -                                      | -                           | 91.16           |
| <b>Operating Profit</b>                            | <b>-</b>                               | <b>-</b>                    | <b>242.45</b>   | <b>-</b>                               | <b>-</b>                    | <b>157.60</b>   | <b>-</b>                               | <b>-</b>                    | <b>76.89</b>    |
| Add: Interest Income                               | -                                      | -                           | 17.58           | -                                      | -                           | 1.99            | -                                      | -                           | 19.30           |
| Less: Interest Expenses                            | -                                      | -                           | 111.79          | -                                      | -                           | 23.99           | -                                      | -                           | 0.53            |
| <b>Profitbefore taxation and exceptional items</b> | <b>-</b>                               | <b>-</b>                    | <b>148.24</b>   | <b>-</b>                               | <b>-</b>                    | <b>135.60</b>   |                                        |                             | <b>95.66</b>    |
| Less: Income Taxes (Net)                           | -                                      | -                           | (84.03)         | -                                      | -                           | (63.19)         | -                                      | -                           | 46.45           |
| <b>Net Profit</b>                                  |                                        |                             | <b>232.27</b>   |                                        |                             | <b>198.79</b>   |                                        |                             | <b>49.21</b>    |
| <b>Other Information</b>                           |                                        |                             |                 |                                        |                             |                 |                                        |                             |                 |
| Segment Assets                                     | 3,570.37                               | 2.48                        | 3,572.85        | 2,188.66                               | 65.66                       | 2,254.32        | 1,012.33                               | 8.10                        | 1,020.43        |
| Add: Unallocated Corporate Assets                  |                                        |                             | 311.53          |                                        |                             | 178.42          |                                        |                             | 188.89          |
| <b>Total Assets</b>                                | <b>3,570.37</b>                        | <b>2.48</b>                 | <b>3,884.38</b> | <b>2,188.66</b>                        | <b>65.66</b>                | <b>2,432.74</b> | <b>1,012.33</b>                        | <b>8.10</b>                 | <b>1,209.32</b> |
| Segment Liabilities                                | 1,652.32                               | 1.00                        | 1,653.32        | 1,046.34                               | 5.82                        | 1,052.16        | 62.30                                  | 0.20                        | 62.50           |
| Add: Unallocated Corporate Liabilities             |                                        |                             | 18.02           |                                        |                             | 96.31           |                                        |                             | 61.34           |
| <b>Total Liabilities</b>                           | <b>1,652.32</b>                        | <b>1.00</b>                 | <b>1,671.34</b> | <b>1,046.34</b>                        | <b>5.82</b>                 | <b>1,148.47</b> | <b>62.30</b>                           | <b>0.20</b>                 | <b>123.84</b>   |
| Capital Expenditure                                | 1,030.56                               | 45.47                       | 1,076.03        | 922.55                                 | -                           | 922.55          | 232.22                                 | -                           | 232.22          |
| Depreciation                                       | 147.86                                 | 1.85                        | 149.71          | 90.71                                  | -                           | 90.71           | 58.77                                  | -                           | 58.77           |
| Non Cash Expenses other than Depreciation          | 16.17                                  | 0.79                        | 16.96           | 16.77                                  | 3.67                        | 20.44           | 17.83                                  | 0.09                        | 17.92           |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

**24 Segment Information (continued)**

**Segment Information as required by the Accounting Standard 17:**

|                                                    | March 31, 2011                  |                      |                 | March 31, 2010                  |                      |                 |
|----------------------------------------------------|---------------------------------|----------------------|-----------------|---------------------------------|----------------------|-----------------|
| Business Segment                                   | Temperature Controlled Services | Ambient Distribution | Total           | Temperature Controlled Services | Ambient Distribution | Total           |
| <b>Segment Revenue</b>                             |                                 |                      |                 |                                 |                      |                 |
| External Sales                                     | 451.66                          | -                    | 451.66          | 345.70                          | -                    | 345.70          |
| Unidentified segments                              |                                 |                      | -               |                                 |                      | -               |
| <b>Total Revenue</b>                               | <b>451.66</b>                   | <b>-</b>             | <b>451.66</b>   | <b>345.70</b>                   | <b>-</b>             | <b>345.70</b>   |
| <b>Result</b>                                      |                                 |                      |                 |                                 |                      |                 |
| Segment Result                                     | 105.89                          | -                    | 105.89          | 65.59                           | -                    | 65.59           |
| Unallocated Corporate expenses (less income)       | -                               | -                    | 54.27           | -                               | -                    | 43.79           |
| <b>Operating Profit</b>                            | <b>-</b>                        | <b>-</b>             | <b>51.62</b>    | <b>-</b>                        | <b>-</b>             | <b>21.80</b>    |
| Add: Interest Income                               | -                               | -                    | 23.46           | -                               | -                    | 18.43           |
| Less: Interest Expenses                            | -                               | -                    | 0.06            | -                               | -                    | 0.24            |
| <b>Profitbefore taxation and exceptional items</b> |                                 |                      | <b>75.02</b>    |                                 |                      | <b>39.99</b>    |
| Less: Income Taxes (Net)                           | -                               | -                    | 11.45           | -                               | -                    | (0.47)          |
| <b>Net Profit</b>                                  |                                 |                      | <b>63.57</b>    |                                 |                      | <b>40.46</b>    |
| <b>Other Information</b>                           |                                 |                      |                 |                                 |                      |                 |
| Segment Assets                                     | 771.34                          | -                    | 771.34          | 536.07                          | -                    | 536.07          |
| Add: Unallocated Corporate Assets                  |                                 |                      | 335.62          |                                 |                      | 490.15          |
| <b>Total Assets</b>                                | <b>771.34</b>                   | <b>-</b>             | <b>1,106.96</b> | <b>536.07</b>                   | <b>-</b>             | <b>1,026.22</b> |
| Segment Liabilities                                | 48.14                           | -                    | 48.14           | 45.73                           | -                    | 45.73           |
| Add: Unallocated Corporate Liabilities             |                                 |                      | 22.55           |                                 |                      | 7.79            |
| <b>Total Liabilities</b>                           | <b>48.14</b>                    | <b>-</b>             | <b>70.69</b>    | <b>45.73</b>                    | <b>-</b>             | <b>53.52</b>    |
| Capital Expenditure                                | 260.34                          | -                    | 260.34          | 96.50                           | -                    | 96.50           |
| Depreciation                                       | 40.21                           | -                    | 40.21           | 36.10                           | -                    | 36.10           |
| Non Cash Expenses other than Depreciation          | 11.07                           | -                    | 11.07           | 15.91                           | -                    | 15.91           |

## **Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

### **24 Segment Information (continued)**

The Company is in the businesses of "Cold Chain and Related Logistics" as primary segment which includes providing transportation, cold storage and consignment agency facilities.

The Company had earlier disclosed reportable segments as 'Freezer', 'Transportation' and 'Consignment' for the years ended March 31, 2010 and 2011. Further, in the year ended March 31, 2012, the Company revised the segment disclosures and considered reportable segments as 'Freezer', 'Reefer Transportation', 'Ambient Distribution' and 'Consignment'. Based on the risk, rewards and nature, the Company has currently considered "Temperature Controlled Services" and "Ambient Distribution" as reportable segments relating to the Company's business for the years ended March 31, 2013 and 2014. The Company's operations are such that all activities are confined to India and hence there is no secondary reportable segment relating to the Company's business.

Accordingly, based on the current reportable segments considered for the years ended March 31, 2013 and 2014, the Company has reclassified its revenue, results and capital expenditure to the above mentioned segments, having regard to the nature of such items. Consequently, previous years' figures have been reclassified to conform to the current reportable segments of the Company.

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

**25 Employee Benefits**

**A Post Retirement Benefit - Defined Contribution Plan**

The Company has recognised an amount of Rs. 7.52 Million, Rs. 6.37 Million, Rs. 4.39 Million, Rs. 3.46 Million and Rs. 2.99 Million for the years ended on March 31, 2014, 2013, 2012, 2011 and 2010, respectively, as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund.

**B Post Retirement Benefit - Defined Benefit Plan**

The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each Balance Sheet date.

The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the Balance Sheet date.

**(i) Present Value of Defined Benefit Obligation - Gratuity**

|                                       | As at          |                |                |                |                |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                       | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| Opening defined benefit obligation    | 7.98           | 5.68           | 3.28           | 2.65           | 2.36           |
| Current service cost                  | 2.60           | 2.11           | 2.07           | 0.63           | 0.76           |
| Interest cost                         | 0.64           | 0.46           | 0.25           | 0.21           | 0.17           |
| Actuarial loss / (gain)               | (0.24)         | (0.08)         | 0.83           | (0.14)         | (0.18)         |
| Benefits paid                         | (0.50)         | (0.19)         | (0.75)         | (0.07)         | (0.46)         |
| <b>Balance at the end of the year</b> | <b>10.48</b>   | <b>7.98</b>    | <b>5.68</b>    | <b>3.28</b>    | <b>2.65</b>    |

| <b>(ii) Fair value of plan assets</b> |             |             |             |             |             |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Balance at the beginning of the year  | 6.29        | 4.20        | 3.43        | 2.24        | 1.69        |
| Expected return on plan assets        | 0.60        | 0.40        | 0.31        | 0.22        | 0.15        |
| Actuarial Gain/(Loss)                 | 0.04        | 0.03        | (0.01)      | 0.01        | 0.01        |
| Contributions by the Company          | 2.18        | 1.85        | 1.22        | 1.03        | 0.85        |
| Benefits paid                         | (0.50)      | (0.19)      | (0.75)      | (0.07)      | (0.46)      |
| <b>Balance at the end of the year</b> | <b>8.61</b> | <b>6.29</b> | <b>4.20</b> | <b>3.43</b> | <b>2.24</b> |

| <b>(iii) Assets and liabilities recognised in the Balance Sheet</b> |               |               |               |             |               |
|---------------------------------------------------------------------|---------------|---------------|---------------|-------------|---------------|
| Present value of Defined Benefit Obligation                         | 10.48         | 7.98          | 5.68          | 3.28        | 2.65          |
| Fair value of plan assets                                           | 8.61          | 6.29          | 4.20          | 3.43        | 2.24          |
| <b>Amount recognised as Assets /( Liability)</b>                    | <b>(1.87)</b> | <b>(1.69)</b> | <b>(1.48)</b> | <b>0.15</b> | <b>(0.41)</b> |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**25. Employee Benefits (continued)**

(Rs. in Million)

**Recognised under:**

|                                                    | As at          |                |                |                |                |
|----------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                                    | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| Long term Provisions (Refer Note 4 of Annexure V ) | (0.37)         | (1.11)         | (0.23)         | -              | -              |
| Short Term provisions (Refer Note 7 of Annexure V) | (1.50)         | (0.58)         | (1.25)         | -              | (0.41)         |
| Long term loans and advances                       | -              | -              | -              | 0.15           | -              |
| <b>Total</b>                                       | <b>(1.87)</b>  | <b>(1.69)</b>  | <b>(1.48)</b>  | <b>0.15</b>    | <b>(0.41)</b>  |

**(iv) Expenses recognised in the Statement of Profit and Loss**

**For the year ended**

|                                |             |             |             |             |             |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| Current Service Cost           | 2.60        | 2.11        | 2.07        | 0.63        | 0.76        |
| Interest Cost                  | 0.64        | 0.46        | 0.25        | 0.21        | 0.17        |
| Expected return on Plan Assets | (0.61)      | (0.40)      | (0.31)      | (0.22)      | (0.15)      |
| Net actuarial loss / (gain)    | (0.28)      | (0.27)      | 0.85        | (0.15)      | (0.19)      |
| <b>Total expenses</b>          | <b>2.35</b> | <b>1.90</b> | <b>2.86</b> | <b>0.47</b> | <b>0.59</b> |

**(v) Major category of plan assets as % of total Plan Assets**

|                       | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| Insurer Managed Funds | 100%           | 100%           | 100%           | 100%           | 100%           |

**(vi) Actuarial assumptions**

|                |        |       |        |       |       |
|----------------|--------|-------|--------|-------|-------|
| Discount Rate  | 9.20%  | 8.25% | 8.50%  | 8.00% | 7.00% |
| Salary Growth  | 10.00% | 9.00% | 10.00% | 6.00% | 6.00% |
| Attrition Rate | 9.00%  | 9.00% | 8.00%  | 5.00% | 5.00% |

**Annexure V - Notes to the Restated Financial Information of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

**(vii) Amounts recognised in current year and previous four years**

|                                                        | <b>As at/ For the year ended</b> |                       |                       |                       |                       |
|--------------------------------------------------------|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                        | <b>March 31, 2014</b>            | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
| Present value of obligation                            | 10.48                            | 7.98                  | 5.68                  | 3.28                  | 2.65                  |
| Present value of plan assets                           | 8.61                             | 6.29                  | 4.20                  | 3.43                  | 2.24                  |
| Amount recognised in Balance Sheet (Liability)/asset   | (1.87)                           | (1.69)                | (1.48)                | 0.15                  | (0.41)                |
| Experience adjustments on present value of obligations | (0.24)                           | (0.08)                | 0.83                  | (0.14)                | (0.18)                |
| Experience adjustment of plan assets                   | 0.04                             | 0.03                  | (0.01)                | 0.01                  | 0.01                  |

**(viii) Expected Contribution to the fund for the next year:**

|          |      |      |      |      |      |
|----------|------|------|------|------|------|
| Gratuity | 1.50 | 0.58 | 1.25 | 1.00 | 1.00 |
|----------|------|------|------|------|------|

**Notes:**

- 1 The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
- 2 Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3 The salary escalation rate is the estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

**Other Employee Benefit Plan:**

**As at**

|                                                         | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2012</b> | <b>March 31, 2011</b> | <b>March 31, 2010</b> |
|---------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Liability for leave encashment and compensated absences | (2.45)                | (2.86)                | (2.36)                | (1.43)                | (1.39)                |

**Recognised under:**

|                                                     |               |               |               |               |               |
|-----------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Long term Provisions (Refer Note 4 of Annexure V )  | (2.05)        | (2.60)        | (2.18)        | (1.25)        | (0.98)        |
| Short Term provisions (Refer Note 7 of annexure V ) | (0.40)        | (0.26)        | (0.18)        | (0.18)        | (0.41)        |
| <b>Total</b>                                        | <b>(2.45)</b> | <b>(2.86)</b> | <b>(2.36)</b> | <b>(1.43)</b> | <b>(1.39)</b> |

**Annexure VI - Statement of Adjustments to Audited Financial Statements of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

Summarised below are the restatement adjustments made to the Audited Financial Statements for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 and their impact on the profit of the Company :

**Adjustments:**

| Particulars                                                                                                                                                             | For the year ended |                |                |                |                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                                                                                                                                         | March 31, 2014     | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| <b>A Material Restatement Adjustments[Excluding those on account of changes in accounting policies] :</b>                                                               |                    |                |                |                |                |
| <b>i. Audit Qualifications</b>                                                                                                                                          |                    |                |                |                |                |
| Audit qualification for Managerial Remuneration (charged) /credited (Refer note A1 (i) (a) below)                                                                       | -                  | -              | -              | -              | (1.27)         |
| Audit qualification for non- provision of outstanding balances in respect of Fruit and Vegetable supply chain project (charged) /credited (Refer note A1 (i) (b) below) | -                  | -              | -              | -              | 3.93           |
| <b>Total: [A]</b>                                                                                                                                                       | -                  | -              | -              | -              | <b>2.66</b>    |
| <b>ii. Other adjustments</b>                                                                                                                                            |                    |                |                |                |                |
| Provision/ Liabilities no longer required, written back (Refer note A 2 below)                                                                                          | -                  | (0.83)         | (6.35)         | 2.68           | (1.86)         |
| Bad debts/advances written off (Refer note A 3 below)                                                                                                                   | 15.81              | (13.09)        | 5.06           | (1.80)         | (2.02)         |
| Provision for doubtful debts/advances (Refer note A 4 below)                                                                                                            | (4.47)             | 5.17           | (0.70)         | 0.15           | (0.15)         |
| MAT credit entitlements written off/written back (charged)/credited (Refer note A 5 below)                                                                              | -                  | 14.10          | (13.74)        | (0.36)         | -              |
|                                                                                                                                                                         | 11.34              | 5.35           | (15.73)        | 0.67           | (4.03)         |
| <b>iii. Deferred tax adjustments</b> (Refer note A 6 below)                                                                                                             |                    |                |                |                |                |
| a. Deferred tax adjustments for the earlier years (charged)/credited                                                                                                    | -                  | 0.50           | 0.70           | (1.20)         | -              |
| b. Deferred tax impact of the above adjustments                                                                                                                         | (3.86)             | 2.98           | 0.68           | (0.35)         | 0.47           |
| <b>Total: [B]</b>                                                                                                                                                       | <b>7.48</b>        | <b>8.83</b>    | <b>(14.35)</b> | <b>(0.88)</b>  | <b>(3.56)</b>  |
| <b>B Adjustments on account of changes in accounting policies</b>                                                                                                       | -                  | -              | -              | -              | -              |
| <b>Total: [C]</b>                                                                                                                                                       | -                  | -              | -              | -              | -              |
| <b>Total impact of Adjustments [A+B+C]</b>                                                                                                                              | <b>7.48</b>        | <b>8.83</b>    | <b>(14.35)</b> | <b>(0.88)</b>  | <b>(0.90)</b>  |

## Annexure VI - Statement of Adjustments to Audited Financial Statements of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)

(Rs. in Million)

### A Adjustments:

- 1 (i) The auditors have reported the following comments in their report for the financial year 2008-2009:
  - (a) In the audit report for the financial year ended March 31, 2009, the auditors included a qualification in respect of excess remuneration paid to the manager aggregating Rs. 1.27 Million in excess of limits prescribed by Schedule XIII to the Companies Act, 1956. Subsequently in the financial year ended March 31, 2010, the Company recovered the amount from the manager and disclosed it as prior period income for the year ended March 31, 2010. Accordingly, the Company has decreased the deficit in Restated Statement of Profit and Loss as at April 1, 2009 and decreased other income for the financial year ended March 31, 2010.
  - (b) In the audit report for the financial year ended March 31, 2009, the auditors included a qualification in respect of non provision of outstanding balances amounting to Rs. 5.25 Million in respect of the Fruit and Vegetable Supply Chain Project. Consequently profits for that year and reserves as at March 31, 2009 were higher by Rs. 5.25 Million. The Company had already made a provision for the same of Rs. 1.32 Million as at March 31, 2009. The remaining balance provision of Rs. 3.93 Million was subsequently recognised by the Company in the financial year 2009-2010. In the Restated Statement of Profit and Loss, the Company has now reversed the said provision of Rs.3.93 million in the year ended March 31, 2010 and increased the deficit in Restated Statement of Profit and Loss as at April 1, 2009.
- 2 In the audited financial statements of the Company for the years ended March 31, 2014, 2013, 2012, 2011 and 2010, certain provisions/ liabilities created in earlier years were written back. For the purpose of this statement, the said provisions/ liabilities have been appropriately adjusted in the respective years in which they were originally created.
- 3 In the audited financial statements of the Company for the years ended March 31, 2014, 2013, 2012, 2011 and 2010, certain amounts had been written-off as bad debt (net of provision adjustment), which for the purpose of this statement, have been appropriately adjusted in the respective years to which they relate.
- 4 Debts, which were considered doubtful and provided (net of provision for doubtful debts written back) for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 have been appropriately adjusted in the respective years to which they relate.
- 5 In the audited financial statements of the Company for the years ended March 31, 2013, MAT credit entitlements pertaining to financial year ended March 31, 2012 and financial year ended March 31, 2011, Rs.13.74 million and Rs. 0.36 million respectively, aggregating Rs. 14.10 million, were written-off. For the purpose of this statement, the said MAT credit entitlement write-offs have been appropriately adjusted in the respective years to which they originally relate. Further, in the audited financial statements of the Company for the year ended March 31, 2012, excess tax liability, originally provided in year ended March 31, 2011 under MAT provisions, of Rs. 8.88 million was written back and consequently excess MAT credit entitlement was written off to the same extent of Rs. 8.88 million with nil impact on Profit and Loss. For the purpose of this statement, the said excess tax liability write-back and the MAT credit entitlement write-off has been adjusted to the year ended March 31, 2011 with nil impact.
- 6 The tax rate applicable for the respective years has been used to calculate the deferred tax impact of the adjustments.

### 7 Opening Reserves Reconciliation

| Particulars                                                                               | (Rs. in Million) |
|-------------------------------------------------------------------------------------------|------------------|
| Deficit in Statement of Profit and Loss as per audited Balance Sheet as at April 01, 2009 | (187.32)         |
| i) Material Restatement Adjustments                                                       |                  |
| Audit Qualification                                                                       | (2.66)           |
| Provision/ Liabilities no longer required, written back                                   | 6.36             |
| Bad debts/advances written off                                                            | (3.96)           |
| Deferred tax asset on the above adjustments                                               | 0.08             |
| Deficit as per restated Statement of Profit and Loss as at April 01, 2009                 | (187.50)         |

**Annexure VI - Statement of Adjustments to Audited Financial Statements of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**  
(Rs. in Million)

**B Non-Adjustment Items:**

- I Current auditors (Financial Year 2013-14, 2012-2013) and Erstwhile Statutory Auditors (Financial Year 2009-2010, 2010-2011, 2011-2012) have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') which are reproduced below :

**Financial Year 2009-10**

a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, except for certain assets where location details are in process of updation and the aggregate net book value of the same is not material.

b. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except dues in respect of Sales Tax, the Company is regular in depositing undisputed statutory dues including investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2010 for a period of more than six months from the date they became payable are as follows:

| Name of the Statute | Nature of Dues | Amount Due | Period to which amount Relates | Due Date    | Date of Payment |
|---------------------|----------------|------------|--------------------------------|-------------|-----------------|
| Sales Tax           | Sales Tax      | 0.15       | 2007-2008                      | 20-Jan-2008 | 12-Apr-2010     |
| Sales Tax           | Sales Tax      | 0.11       | 2008-2009                      | 20-Jan-2009 | 12-Apr-2010     |

c. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at March 31, 2010 which have not been deposited on account of a dispute are as follows :

| Name of the Statute | Nature of Dues             | Amount Due | Period to which amount Relates | Forum Where Dispute is Pending                   |
|---------------------|----------------------------|------------|--------------------------------|--------------------------------------------------|
| Income Tax Act      | Income Tax                 | 0.57*      | 2005-2006                      | Assistant Commissioner<br>Commissioner (Appeals) |
|                     |                            | 0.20       | 2006-2007                      |                                                  |
| Wealth Tax Act      | Tax on vacant Land and Car | 0.26*      | 2000-2001                      | Commissioner (Appeals)                           |
|                     |                            | 0.30*      | 2001-2002                      | Commissioner (Appeals)                           |
|                     |                            | 0.19*      | 2003-2004                      | Commissioner (Appeals)                           |

\* Amounts fully paid under protest

**Annexure VI - Statement of Adjustments to Audited Financial Statements of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

**(Rs. in Million)**

**Financial Year 2010-11**

a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, except for certain assets where location details are in process of updation and the aggregate net book value of same is not material.

b. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for certain cases in respect of sales tax, employees' state insurance, profession tax and income tax, the Company is regular in depositing the undisputed statutory dues including investor education and protection fund, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.

c. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at March 31, 2011 which have not been deposited on account of a dispute are as follows:

| <b>Name of the Statute</b> | <b>Nature of Dues</b>      | <b>Amount Due</b> | <b>Period to which amount Relates</b> | <b>Forum Where Dispute is Pending</b> |
|----------------------------|----------------------------|-------------------|---------------------------------------|---------------------------------------|
| Income Tax Act             | Income Tax                 | 0.57*             | 2005-2006                             | Assistant Commissioner                |
|                            |                            | 0.20              | 2006-2007                             | Commissioner (Appeals)                |
| Wealth Tax Act             | Tax on vacant Land and Car | 0.26*             | 2000-2001                             | Commissioner (Appeals)                |
|                            |                            | 0.30*             | 2001-2002                             | Commissioner (Appeals)                |
|                            |                            | 0.19*             | 2003-2004                             | Commissioner (Appeals)                |

\* Amounts fully paid under protest

**Financial Year 2011-12**

a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for certain cases in respect of tax deducted at source, professional tax, employee's state insurance, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, sales tax, service tax and other material statutory dues, as applicable, with the appropriate authorities.

b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute are as follows:

| <b>Name of the Statute</b> | <b>Nature of Dues</b> | <b>Amount Due</b> | <b>Period to which amount Relates</b> | <b>Forum Where Dispute is Pending</b> |
|----------------------------|-----------------------|-------------------|---------------------------------------|---------------------------------------|
| Income Tax Act             | Income Tax            | 0.20              | 2006-2007                             | Commissioner (Appeals)                |

**Annexure VI - Statement of Adjustments to Audited Financial Statements of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)****(Rs. in Million)****Financial Year 2012-13**

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employee's state insurance, professional tax, tax deducted at source and service tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including provident fund, sales tax, customs duty and other material statutory dues, as applicable, with the appropriate authorities.
- b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, wealth tax, service tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2013 which have not been deposited on account of a dispute are as follows:

| Name of the Statute | Nature of Dues | Amount Due | Period to which amount Relates | Forum Where Dispute is Pending |
|---------------------|----------------|------------|--------------------------------|--------------------------------|
| Income Tax Act      | Income Tax     | 0.20       | 2006-2007                      | Commissioner (Appeals)         |

**Financial Year 2013-14**

- a. According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of tax deducted at source, service tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, sales tax, wealth tax, income tax, customs duty, and other material statutory dues, as applicable, with the appropriate authorities.
- b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax and sales tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

| Name of the statute    | Nature of dues  | Amount | Period to which the amount relates | Forum where the dispute is pending |
|------------------------|-----------------|--------|------------------------------------|------------------------------------|
| Income Tax Act         | Income Tax      | 0.20   | 2006 - 2007                        | Commissioner (Appeals)             |
| Kerala Value Added Tax | Value Added Tax | 0.77*  | 2010 - 2011                        | Commissioner (Appeals)             |

\*Net of amounts paid under protest.

**Annexure VII - Restated Statement of Secured Borrowings of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                                   | March 31, 2014  | March 31, 2013 | As at<br>March 31, 2012 | March 31, 2011 | March 31, 2010 |
|---------------------------------------------------------------|-----------------|----------------|-------------------------|----------------|----------------|
| <b>Long Term Borrowings</b>                                   |                 |                |                         |                |                |
| Rupee Term Loan (Secured)                                     |                 |                |                         |                |                |
| From HDFC Bank Limited (refer Annexure VII A)                 | 479.00          | 609.00         | -                       | -              | -              |
| From International Finance Corporation (refer Annexure VII A) | 425.00          | 300.00         | -                       | -              | -              |
|                                                               | 904.00          | 909.00         | -                       | -              | -              |
| <b>Short- term loan</b>                                       |                 |                |                         |                |                |
| Working capital loan repayable on demand from banks           | 2.50            | -              | -                       | -              | -              |
| From Yes Bank Limited (refer Annexure VII A)                  | 400.00          | -              | -                       | -              | -              |
|                                                               | 402.50          | -              | -                       | -              | -              |
| <b>Total</b>                                                  | <b>1,306.50</b> | <b>909.00</b>  | <b>-</b>                | <b>-</b>       | <b>-</b>       |

**ANNEXURE VII (A) - Restated Statement of Principal Terms of Secured Borrowings as at March 31, 2014 of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Sr. No. | Lender                                                  | Nature of facility | Loan Currency | Amount Sanctioned | Amount outstanding as at March 31, 2014 | Rate of Interest                                                        | Repayment terms                                                                                                                | Security / principal terms & conditions                                                                                                                                                                                                                                        |
|---------|---------------------------------------------------------|--------------------|---------------|-------------------|-----------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | HDFC Bank Limited (Refer Notes 1 and 2)                 | Long term loan     | INR           | 650.00            | 609.00                                  | 150 bps over bank's base rate (prevailing at the time of each drawdown) | Principal is repayable (for each disbursement) in 20 equal quarterly instalments starting from August 2013 (1 year moratorium) | Term loan from HDFC Bank Limited amounting to Rs. 650 Million are secured by pari-passu charge on all assets namely fixed and current assets present and future of our Company and corporate guarantee from Gateway Distriparks Limited, the Holding Company.                  |
| 2       | International Finance Corporation (Refer Notes 3 and 4) | Long term loan     | INR           | 300.00            | 300.00                                  | 4% over the SWAP equivalent of 6 Months US\$ LIBOR                      | Principal is repayable in 12 half yearly instalments starting from January 2015 (2 year Moratorium)                            | Term loan from International Finance Corporation amounting to Rs. 300 Million are secured by pari-passu charge on all assets namely, fixed and current assets present and future of our Company and corporate guarantee from Gateway Distriparks Limited, the Holding Company. |
| 3       | International Finance Corporation (Refer Note 5)        | Long term loan     | INR           | 150.00            | 150.00                                  | 4% over the SWAP equivalent of 6 Months US\$ LIBOR                      | Principal is repayable in 12 half yearly instalments starting from October 2015 (2 year Moratorium)                            | Term loan from International Finance Corporation amounting to Rs. 150 Million are secured by pari-passu charge on all assets namely, fixed and current assets present and future of our Company and corporate guarantee from Gateway Distriparks Limited, the Holding Company. |

**ANNEXURE VII (A) - Restated Statement of Principal Terms of Secured Borrowings as at March 31, 2014 of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Sr. No. | Lender            | Nature of facility   | Loan Currency | Amount Sanctioned | Amount outstanding as at March 31, 2014 | Rate of Interest              | Repayment terms                                                                        | Security / principal terms & conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|-------------------|----------------------|---------------|-------------------|-----------------------------------------|-------------------------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4       | Yes Bank Limited  | Short term loan      | INR           | 800.00            | 400.00                                  | 10.75%                        | Principal is repayable within a period of 12 months from December 31, 2013 in lumpsum. | Short term loan of Rs. 800 Million from YES Bank Limited has been sanctioned, out of which Rs. 400 Million has been disbursed during the year, which is secured by first exclusive charge on all future assets namely, fixed and current assets of our Company, charge on all operating cash flows as well as the receivables of our Company from the projects, charge on all insurance policies relating to the projects and also unconditional and irrevocable corporate guarantee from Gateway Distriparks Limited, the Holding Company. |
| 5       | HDFC Bank Limited | Working capital loan | INR           | 30.00             | 2.50                                    | 150 bps over bank's base rate | Repayable on demand                                                                    | i) Working Capital loan of Rs. 30 Million from HDFC Bank has been sanctioned, out of which Rs.2.50 Million has been utilised as at March 31, 2014 which is secured by pari passu charge on all assets namely fixed and current assets present and future of our Company and also unconditional and irrevocable corporate guarantee from Gateway Distriparks Limited, the Holding Company.                                                                                                                                                   |

Note:

- 1 Out of Rs. 609 Million, Rs. 130.00 Million is shown under Other Current Liabilities as 'Current Maturities of long term debt' (refer note 6 of Annexure V).
- 2 The rate of interest charged by HDFC Bank Limited is 11.50% per annum as at March 31, 2014.
- 3 SWAP rate as at March 31, 2013, equivalent of 6 months US\$ LIBOR is 6.8650%.
- 4 Out of Rs. 300 Million, Rs. 25.00 Million is shown under Other Current Liabilities as 'Current Maturities of long term debt' (refer note 6 of Annexure V).
- 5 SWAP rate as at March 31, 2014, equivalent of 6 months US\$ LIBOR is 6.5400%.

**Annexure VIII - Restated Statement of Trade Receivables of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                                                             | March 31, 2014 | March 31, 2013 | As at<br>March 31, 2012 | March 31, 2011 | March 31, 2010 |
|-----------------------------------------------------------------------------------------|----------------|----------------|-------------------------|----------------|----------------|
| Trade Receivables (Unsecured)                                                           |                |                |                         |                |                |
| A) Outstanding for a period exceeding six months from the date they are due for payment |                |                |                         |                |                |
| Considered good                                                                         | 6.08           | 4.35           | 1.35                    | 2.01           | 0.65           |
| Considered Doubtful                                                                     | 15.28          | 12.86          | 10.31                   | 11.30          | 20.97          |
|                                                                                         | 21.36          | 17.21          | 11.66                   | 13.31          | 21.62          |
| Less: Provision for doubtful debts                                                      | 15.28          | 12.86          | 10.31                   | 11.30          | 20.97          |
| <b>Total (A)</b>                                                                        | <b>6.08</b>    | <b>4.35</b>    | <b>1.35</b>             | <b>2.01</b>    | <b>0.65</b>    |
| B) Others                                                                               |                |                |                         |                |                |
| Considered good                                                                         | 388.69         | 252.00         | 122.85                  | 101.09         | 85.49          |
| Considered doubtful                                                                     | 8.14           | 9.01           | 4.32                    | 1.83           | 0.18           |
|                                                                                         | 396.83         | 261.01         | 127.17                  | 102.92         | 85.67          |
| Less: Provision for doubtful debts                                                      | 8.14           | 9.01           | 4.32                    | 1.83           | 0.18           |
| <b>Total (B)</b>                                                                        | <b>388.69</b>  | <b>252.00</b>  | <b>122.85</b>           | <b>101.09</b>  | <b>85.49</b>   |
| <b>Total (A+B)</b>                                                                      | <b>394.77</b>  | <b>256.35</b>  | <b>124.20</b>           | <b>103.10</b>  | <b>86.14</b>   |

Notes:

- 1 There are no amounts recoverable from Directors or Promoters of the Company.
- 2 The list of persons / entity classified as "Promoters and promoter group Company" has been provided by the management and relied upon by the auditors.

**Annexure IX - Restated Statement of Loans and Advances of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

|             |                                                                        | As at          |                |                |                |                |
|-------------|------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Particulars |                                                                        | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| 1           | <b>Long term loans and advances<br/>(Unsecured, considered good)</b>   |                |                |                |                |                |
|             | Capital Advances                                                       | 33.95          | 40.20          | 24.24          | 7.42           | 24.41          |
|             | Advance income tax (net of provision for tax)                          | 31.37          | 21.47          | 33.61          | 36.45          | 26.86          |
|             | Advances recoverable in cash or kind                                   | 8.01           | 1.85           | 2.44           | 5.68           | 0.31           |
|             | Security Deposit                                                       | 94.29          | 47.47          | 20.88          | 22.54          | 16.62          |
|             | Others                                                                 | 0.63           | 0.63           | 0.63           | 0.63           | 0.63           |
|             | <b>Total (A)</b>                                                       | <b>168.25</b>  | <b>111.62</b>  | <b>81.80</b>   | <b>72.72</b>   | <b>68.83</b>   |
| 2           | <b>Short term loans and advances:<br/>(Unsecured, considered good)</b> |                |                |                |                |                |
|             | Prepaid expenses                                                       | 9.94           | 5.23           | 4.16           | 2.62           | 2.47           |
|             | Advance to suppliers                                                   | 36.92          | 16.96          | 5.96           | 8.16           | 29.86          |
|             | Balances with government authorities                                   | 19.98          | 21.86          | -              | -              | -              |
|             | <b>Total (B)</b>                                                       | <b>66.84</b>   | <b>44.05</b>   | <b>10.12</b>   | <b>10.78</b>   | <b>32.33</b>   |
|             | <b>Total (A+B)</b>                                                     | <b>235.09</b>  | <b>155.67</b>  | <b>91.92</b>   | <b>83.50</b>   | <b>101.16</b>  |

**ANNEXURE X - Restated Statement of Other Income of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Particulars                                            | Nature<br>(Recurring / Non<br>Recurring) | For the year ended |                |                |                |                |
|--------------------------------------------------------|------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                        |                                          | March 31, 2014     | March 31, 2013 | March 31, 2012 | March 31, 2011 | March 31, 2010 |
| Interest income                                        | Recurring                                | 17.58              | 1.99           | 19.30          | 23.46          | 18.43          |
| Profit on sale of assets                               | Recurring                                | 0.62               | 1.21           | 0.76           | -              | 0.02           |
| Prior period income                                    | Non - Recurring                          | -                  | -              | -              | -              | 1.27           |
| Provision/ Liabilities no longer required written back | Recurring                                | -                  | 0.83           | 7.18           | 0.57           | 2.44           |
| Miscellaneous income                                   | Recurring                                | 0.06               | 0.05           | 0.78           | 0.20           | 1.17           |
| <b>Total</b>                                           |                                          | <b>18.26</b>       | <b>4.08</b>    | <b>28.02</b>   | <b>24.23</b>   | <b>23.33</b>   |
| <b>Add/(less) Restatement adjustment:</b>              |                                          |                    |                |                |                |                |
| Prior period income                                    |                                          | -                  | -              | -              | -              | (1.27)         |
| Provision/ Liabilities no longer required written back |                                          | -                  | (0.83)         | (6.35)         | 2.68           | (1.86)         |
|                                                        |                                          | -                  | (0.83)         | (6.35)         | 2.68           | (3.13)         |
| <b>Total</b>                                           |                                          | <b>18.26</b>       | <b>3.25</b>    | <b>21.67</b>   | <b>26.91</b>   | <b>20.20</b>   |

**Notes:**

1. The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.
2. All items of Other Income are from normal business activities.

**Annexure XI - Restated Statement of Accounting Ratios of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million, unless otherwise stated)

| Particulars                                                       |     | March 31, 2014 | March 31, 2013 | As at<br>March 31, 2012 | March 31, 2011 | March 31, 2010 |
|-------------------------------------------------------------------|-----|----------------|----------------|-------------------------|----------------|----------------|
| Restated Profit available to Equity Shareholders (Rs. In Million) | A   | 232.27         | 198.79         | 49.21                   | 63.57          | 40.46          |
| Weighted average number of shares outstanding during the year     | B   | 118,394,686    | 102,907,000    | 102,907,000             | 102,907,000    | 83,520,479     |
| Number of equity shares outstanding at the end of the year        | C   | 124,105,857    | 102,907,000    | 102,907,000             | 102,907,000    | 102,907,000    |
| Restated Net Worth for Equity Share holders (Rs. In Million)      | D   | 2,213.04       | 1284.27        | 1085.48                 | 1,036.27       | 972.70         |
| <b>Accounting Ratios:</b>                                         |     |                |                |                         |                |                |
| Basic and diluted earnings per share (Rs.)                        | A/B | 1.96           | 1.93           | 0.48                    | 0.62           | 0.48           |
| Return on Networth (%)                                            | A/D | 10.50%         | 15.48%         | 4.53%                   | 6.13%          | 4.16%          |
| Net Asset value per equity share (Rs.)                            | D/C | 17.83          | 12.48          | 10.55                   | 10.07          | 9.45           |

**Notes:**

- 1 Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- 2 Net worth for ratios mentioned in note D is = Equity share capital + Reserves and surplus (including Subsidy, Securities Premium and Surplus/ (Deficit) in the Statement of Profit and Loss).
- 3 The above ratios have been computed on the basis of the restated summary statements - Annexure I and Annexure II.

**Annexure XII - Restated Statement of Capitalisation of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| <b>Particulars</b>                                                           | <b>Pre- Issue as at<br/>March 31, 2014</b> |
|------------------------------------------------------------------------------|--------------------------------------------|
| <b>Debt:</b>                                                                 |                                            |
| Current maturities of long term debt (included in Other Current Liabilities) | 155.00                                     |
| Long term borrowings                                                         | 904.00                                     |
| Short term borrowings                                                        | 402.50                                     |
| <b>Total Debt (A)</b>                                                        | <b>1,461.50</b>                            |
| <b>Shareholders' Funds:</b>                                                  |                                            |
| Equity Share Capital                                                         | 1,241.06                                   |
| Reserves and Surplus                                                         | 971.98                                     |
| <b>Total Shareholders' Funds (B)</b>                                         | <b>2,213.04</b>                            |
| Total Debt/ Shareholders Funds (A)/ (B)                                      | 0.66                                       |

**Notes:**

- 1 The above has been computed on the basis of the Restated Summary Statements - Annexure I and Annexure II.
- 2 The issue price and the number of shares are being finalised and as such the post-issue Capitalisation Statement cannot be presented.

**Annexure XIII - Restated Statement of Tax Shelter of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)**

(Rs. in Million)

| Sl.No.   | Particulars                                                                                                           | For the year ended |                   |                |                 |                |
|----------|-----------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|----------------|-----------------|----------------|
|          |                                                                                                                       | March 31, 2014     | March 31, 2013    | March 31, 2012 | March 31, 2011  | March 31, 2010 |
| A        | Profit before taxation and adjustments                                                                                | 136.90             | 144.35            | 97.65          | 73.99           | 41.36          |
| B        | Tax at applicable Rates                                                                                               | 33.99%             | 32.45%            | 32.45%         | 33.22%          | 33.99%         |
| C        | Tax thereon at the above rate (A*B)                                                                                   | 46.53              | 46.84             | 31.69          | 24.58           | 14.06          |
| <b>D</b> | <b>Adjustment for Permanent Differences:</b>                                                                          |                    |                   |                |                 |                |
|          | 1) Expenses not deductible                                                                                            | 1.56               | 1.02              | 0.31           | -               | -              |
|          | <b>Total permanent difference</b>                                                                                     | <b>1.56</b>        | <b>1.02</b>       | <b>0.31</b>    | -               | -              |
| <b>E</b> | <b>Adjustment for Timing differences:</b>                                                                             |                    |                   |                |                 |                |
|          | Difference between book depreciation and tax depreciation                                                             | 74.34              | 17.89             | (23.40)        | 12.70           | 18.59          |
|          | Deduction under Section 43B of the Income Tax Act                                                                     | (0.24)             | 0.56              | 3.09           | (0.37)          | (0.04)         |
|          | Provision for doubtful debts (net)                                                                                    | 17.36              | 18.98             | 7.22           | (6.66)          | (11.66)        |
|          | Bad Debts written off                                                                                                 | (15.81)            | (11.71)           | (1.52)         | -               | -              |
|          | Set Off of carry forward of business losses/unabsorbed depreciation                                                   | -                  | -                 | (83.35)        | -               | (10.39)        |
|          | Deduction under Section 35AD of the Income Tax Act                                                                    | (1,465.08)         | (1,238.85)        | -              | (204.72)        | (31.47)        |
|          | Others                                                                                                                |                    | -                 | -              | -               | (6.39)         |
|          | <b>Total Timing differences:</b>                                                                                      | <b>(1,389.43)</b>  | <b>(1,213.13)</b> | <b>(97.96)</b> | <b>(199.05)</b> | <b>(41.36)</b> |
| <b>F</b> | <b>Net Adjustments (D+E)</b>                                                                                          | <b>(1,387.87)</b>  | <b>(1,212.11)</b> | <b>(97.65)</b> | <b>(199.05)</b> | <b>(41.36)</b> |
| <b>G</b> | <b>Tax expenses / (savings) thereon (F*B)</b>                                                                         | <b>(471.74)</b>    | <b>(393.33)</b>   | <b>(31.69)</b> | <b>(66.12)</b>  | <b>(14.06)</b> |
| <b>H</b> | <b>Tax Liability [negative figures are considered zero] (C+G)</b>                                                     | <b>-</b>           | <b>-</b>          | <b>-</b>       | <b>-</b>        | <b>-</b>       |
| I        | Tax Liability as per Minimum Alternate Tax under Section 115JB of Income Tax Act, including other taxes               | 29.32              | 30.53             | 12.95          | 0.36            | -              |
| J        | Net Tax Liability (Higher of H and I)                                                                                 | 29.32              | 30.53             | 12.95          | 0.36            | -              |
| <b>K</b> | <b>Total Current Tax</b>                                                                                              | <b>29.32</b>       | <b>30.53</b>      | <b>12.95</b>   | <b>0.36</b>     | <b>-</b>       |
| L        | Impact of Material Adjustments for Restatement in corresponding years                                                 | 11.34              | (8.75)            | (1.99)         | (1.03)          | (1.37)         |
| M        | Current Tax Liability on material Adjustments for restatement in corresponding years                                  | -                  | 14.10             | (13.74)        | (0.36)          | -              |
| <b>N</b> | <b>Taxable Profit before taxation and after adjustments as Restated (A+F+L, negative figures are considered zero)</b> | <b>-</b>           | <b>-</b>          | <b>-</b>       | <b>-</b>        | <b>-</b>       |
| <b>O</b> | <b>Total Tax Liability after tax impact of adjustments (K+M)</b>                                                      | <b>29.32</b>       | <b>44.63</b>      | <b>(0.79)</b>  | <b>-</b>        | <b>-</b>       |

## FINANCIAL INDEBTEDNESS

The details of indebtedness of our Company as at July 31, 2014 are as provided below, together with a brief description of certain material covenants of the relevant financing agreements:

### Secured Loans

| Sr. no. | Name of the lender | Nature of borrowing | Amount sanctioned<br><br>(except otherwise stated, in ₹ millions) | Principal amount outstanding as at July 31, 2014<br><br>(in ₹ millions) | Interest/ Commission | Tenure                                                                                           | Repayment                                                                                                 | Security                                                                                                                                                                                                                                                                            | Terms of prepayment | Terms of rescheduling | Penalty                         | Consequences of default                                                                                                                |
|---------|--------------------|---------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Yes Bank Limited   | Bridge loan         | 800.00                                                            | 800.00                                                                  | Bank's base rate     | Up to 12 months from date of first drawdown being December 31, 2013 or IPO, whichever is earlier | Bullet repayment at the end of 12 months from first drawdown or on completion of IPO whichever is earlier | Secured by:<br>a. exclusive charge on current and fixed assets (movable and immovable) of projects for which funds are proposed to be raised through this issue;<br>b. exclusive charge on operating cashflows and receivables of our Company from the projects for which funds are | -                   | -                     | 2% per annum in case of default | Default interest at 2% per annum or such other rate as the Lender deems fit will be levied over and above applicable rate of interest. |

| Sr. no. | Name of the lender | Nature of borrowing | Amount sanctioned<br>(except otherwise stated, in ₹ millions) | Principal amount outstanding as at July 31, 2014<br>(in ₹ millions) | Interest/ Commission                                                    | Tenure    | Repayment                                                                                                   | Security                                                                                                                                                                                                                                                           | Terms of prepayment | Terms of rescheduling | Penalty                         | Consequences of default                                                                         |
|---------|--------------------|---------------------|---------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|---------------------------------|-------------------------------------------------------------------------------------------------|
|         |                    |                     |                                                               |                                                                     |                                                                         |           |                                                                                                             | <p>proposed to be raised through this issue;</p> <p>c. exclusive charge over the insurance policies relating to the projects for which funds are proposed to be raised through this issue; and</p> <p>d. Corporate guarantee from Gateway Distriparks Limited.</p> |                     |                       |                                 |                                                                                                 |
| 2.      | HDFC Bank Limited  | Long Term Loan      | 500.00                                                        | 422.00                                                              | 150 bps over bank's base rate (prevailing at the time of each drawdown) | 72 months | Principal is repayable (for each disbursement) in 20 equal quarterly instalments starting from August, 2013 | Secured by a pari passu charge on all assets namely, fixed and current assets present and future of our company and a corporate guarantee from Gateway Distriparks                                                                                                 | -                   | -                     | 2% per annum in case of default | An additional interest charge of 2% on the entire loan is leviable from the date of the default |

| Sr. no. | Name of the lender | Nature of borrowing | Amount sanctioned<br>(except otherwise stated, in ₹ millions) | Principal amount outstanding as at July 31, 2014<br>(in ₹ millions) | Interest/ Commission                                                    | Tenure    | Repayment                                                                                                 | Security                                                                                                                                                                   | Terms of prepayment | Terms of rescheduling | Penalty                         | Consequences of default                                                                                                                                |
|---------|--------------------|---------------------|---------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                    |                     |                                                               |                                                                     |                                                                         |           |                                                                                                           | Limited                                                                                                                                                                    |                     |                       |                                 |                                                                                                                                                        |
| 3.      | HDFC Bank Limited  | Long Term Loan      | 150.00                                                        | 142.50                                                              | 150 bps over bank's base rate (prevailing at the time of each drawdown) | 72 months | Principal is repayable (for each disbursement) in 20 equal quarterly instalments starting from June, 2014 | Secured by a pari passu charge on all assets namely, fixed and current assets present and future of our company and a corporate guarantee from Gateway Distriparks Limited | -                   | -                     | 2% per annum in case of default | An additional interest charge of 2% on the entire loan, is leviable from the date of the default                                                       |
| 4.      | IFC                | Long Term Loan      | 300.00                                                        | 300.00                                                              | 4% over the SWAP equivalent of 6 Months USD LIBOR                       | 8 Years   | Principal is repayable in 12 half yearly instalments starting from January, 2015 (2 year Moratorium)      | Secured by a pari passu charge on all assets namely, fixed and current assets present and future of our company and a corporate guarantee from Gateway Distriparks Limited | #                   | -                     | 2% per annum in case of default | Our Company shall pay interest on the amount due and unpaid at the rate of 2% per annum over and above the applicable Interest Rate for such payment,. |
| 5.      | IFC                | Long Term Loan      | 150.00                                                        | 150.00                                                              | 4% over the SWAP equivalent of 6 Months                                 | 8 Years   | Principal is repayable in 12 half yearly                                                                  | Secured by a pari passu charge on all assets namely,                                                                                                                       | ##                  | -                     | 2% per annum in case of         | Our Company shall pay interest on the amount due and unpaid at the rate of                                                                             |

| Sr. no. | Name of the lender | Nature of borrowing | Amount sanctioned<br>(except otherwise stated, in ₹ millions) | Principal amount outstanding as at July 31, 2014<br>(in ₹ millions) | Interest/ Commission | Tenure | Repayment                                                  | Security                                                                                                              | Terms of prepayment | Terms of rescheduling | Penalty | Consequences of default                                                    |
|---------|--------------------|---------------------|---------------------------------------------------------------|---------------------------------------------------------------------|----------------------|--------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|---------|----------------------------------------------------------------------------|
|         |                    |                     |                                                               |                                                                     | USD LIBOR            |        | instalments starting from October 2015 (2 year Moratorium) | fixed and current assets present and future of our company and a corporate guarantee from Gateway Distriparks Limited |                     |                       | default | 2% per annum over and above the applicable Interest Rate for such payment. |

<sup>#</sup>Terms of prepayment of IFC for the long term loan for 300 Million

#### **Voluntary Prepayment**

- Our Company may prepay the loan on the conditions that it simultaneously pays all accrued interest and Increased Costs on the amount of the loan to be prepaid, together with the prepayment premium; and
- Our Company pays a prepayment premium of 1%.

#### **Mandatory Prepayment**

- If Our Company prepays any part of its long-term debt (voluntarily or otherwise), IFC has the right to require mandatory prepayment of the loan pro-rata to the amount of long-term debt prepaid.

<sup>##</sup>Terms of prepayment of IFC for the long term loan for 150 Million

#### **Voluntary Prepayment**

- Our Company may prepay the loan on the conditions that it simultaneously pays all accrued interest and Increased Costs on the amount of the loan to be prepaid, together with the prepayment premium; and
- Our Company pays a prepayment premium of 1%.

#### **Mandatory Prepayment**

- If Our Company prepays any part of its long-term debt (voluntarily or otherwise), IFC has the right to require mandatory prepayment of the loan pro-rata to the amount of long-term debt prepaid.

Our Company does not have any unsecured loans or Inter-Corporate Deposits.

Our Company has not defaulted in or rescheduled any loans availed of from banks / financial institutions.

#### **Restrictive covenants with respect to our borrowings:**

Our financing agreements include various restrictive conditions and covenants restricting certain actions. During the currency of these financing agreements, our Company is either required to obtain approval of the lender before undertaking such corporate actions or intimate the lender subsequently. For instance, our Company is required to obtain prior written consent of some of our lenders *inter alia* for deviating from the following obligations:

- To provide finance out of our own sources on any cost escalation;
- To execute necessary promissory notes, further documents, forms, papers and create additional security as required;
- To provide additional security, including pledging / mortgaging any accretion to existing security provided, and not permit any deterioration in existing security;
- To not enter into any scheme of merger, amalgamation, compromise or reconstruction;
- To not take any guarantee obligation on behalf of any third party of any other company;
- To not change its ownership or control;
- To not make any material change in its management or business or do anything that may have a material adverse effect;
- To not amend its constitutional documents;
- To not incur any further debt;
- To not to declare any dividend;
- To not enter into any agreement, arrangement, lease, derivative transactions, etc, other than that in the ordinary course of business;
- To not breach of any representation or statement made;
- To not default in the payment of principal or interest;
- To maintain all financial ratios required and ensure that the business is not carried on at a loss;
- To not create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over our property;
- To not use the loan for any purpose other than the purpose for which it is sanctioned;
- To not fail to pay any of our liabilities or to perform any of our obligations under any other agreement with respect to the project for which such loan has been obtained;
- To not breach our Company's pension plans;
- To allow the bank to appoint a nominee receiver, take possession and sell the property on default;
- To pay prepayment premium, commitment fees, liquidated damages and other costs under the agreements;
- To not enter into any transaction, other than in its ordinary course of business on the basis of arm's length arrangements;
- To enter into any partnership, profit sharing or royalty agreement, joint venture, merger or consolidation or liquidation of any security;
- To not make any loans, advancements, deposits or capital contributions;
- To not engage directly or indirectly in any business other than the business currently engaged in; and

- To not form or acquire any subsidiary.

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

*You should read the following discussion of our financial condition and results of operations in conjunction with the audited and restated financial information including notes thereto and the examination report thereon, which appear in the chapter entitled 'Financial Statements of our Company' and 'Summary Financial Information' on pages 180 and 44 of this Prospectus, respectively. Our audited financial statement, are prepared in accordance with the Indian GAAP and the relevant provisions of the Companies Act and restated pursuant to the SEBI ICDR Regulations and described in the examination report on the restated financial information dated May 16, 2014. Unless otherwise stated, the financial information in this section has been derived from the restated financial information of our Company.*

*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 15 and 14, respectively of this Prospectus.*

### Overview

We commenced our business as a trader of frozen marine products and in Fiscal 1998, we commenced cold storage operations at 4 (four) locations. We have, since then, expanded our operations to become an integrated temperature controlled logistics service provider with an ability to service customers on a pan-India basis.

Our operations can be classified into the following business segments:

1. Temperature controlled services; and
2. Ambient distribution.

While in previous financial years we only operated in the temperature controlled services and ambient distribution business segments, we have, in Fiscal 2014, commenced ambient warehousing as well.

Our warehousing solutions cover the complete spectrum of temperature ranges from ambient to chilled and frozen (i.e. +20°C to -25°C). We offer blast freezing facilities at our temperature controlled warehouses in Bengaluru, Mevalurkuppam, (near Chennai), Visakhapatnam, Serampore (near Kolkata), Taloja (near Mumbai), Ahmedabad, Palwal (near Delhi), Mubarakpur (near Chandigarh) and Surat. Our integrated 'Source to Stores' operations comprise warehousing, primary distribution and secondary distribution and value-added services including kitting, labelling, sorting and bulk breaking.

As of March 31, 2014, our operations comprised 23 temperature controlled warehouses across 14 locations in India including Serampore (near Kolkata), Taloja (near Mumbai), Palwal (near Delhi), Mevalurkuppam, (near Chennai) and Bengaluru capable of warehousing 58,543 pallets and 3,000 ambient pallets. As of March 31, 2014, we operated 370 Reefer vehicles consisting of 307 leased and 63 owned vehicles. As of March 31, 2014, we engaged a total workforce of 1,490 including 383 permanent employees and 1,107 on a contract labour basis.

A majority of our temperature controlled warehouses are ISO 14001 (TUV-SUD), ISO 22000 (TUV-SUD) and FSSAI certified. In addition, 4 (four) of our temperature controlled warehouses are EIA and MPEDA (Marine Products Export Development Authority) certified and 4 (four) temperature controlled warehouses are certified under the Drugs and Cosmetics Act, 1940.

Our distribution services comprise primary and secondary transportation. The primary transportation (long haul) generally facilitates inter-city transport of products. The primary transport service includes door to door service, customized Milk Runs and Part Cargo Consolidation. We also provide secondary transportation i.e. last mile distribution, supplying, amongst others, QSRs, retail outlets, restaurants and the hotels.

The product segments we cater to include:

- Dairy products including butter and cheese;
- Ice-cream;
- Poultry and meat;

- Sea food;
- Ready-to-eat / ready-to-cook food products;
- Confectioneries including chocolate and baked products;
- Fruits and vegetables;
- Healthcare and pharmaceutical products; and
- Industrial products such as x-ray, and photo-imaging, films.

GDL is our Promoter and our largest shareholder. Our other shareholders include Mitsubishi Corporation, Mitsubishi Logistics Corporation, International Finance Corporation and Norwest Venture Partners VII–A Mauritius.

Our total revenue increased from ₹1,141.03 million in Fiscal 2013 to ₹1,552.33 million in Fiscal 2014. Our net profit as restated also increased from ₹198.79 million in Fiscal 2013 to ₹232.27 million in Fiscal 2014. Our total revenue in Fiscal 2014 comprised ₹1,518.57 million and ₹15.50 million, constituting 97.83% and 1.00%, respectively, from each of temperature controlled services and ambient distribution business.

### ***Factors affecting our results of operations***

The business of our Company is subject to various risks and uncertainties including those discussed in Section entitled ‘*Risk Factors*’ beginning on page 15 of this Prospectus. Our financial condition and results of operations are affected by various factors of which the following are of particular importance.

### ***Ability to successfully penetrate Tier II and Tier III cities while maintaining growth in Tier I cities***

Over the last decade, the demand for quality food products has increased and consumer spending in Tier II and Tier III cities has been steadily on the rise, and this trend is expected to continue. However, a vast majority of the temperature controlled logistics service providers are regional and / or unorganised operators. At present, an estimated 90% of the temperature controlled logistics warehousing and around 80% of temperature controlled distribution business is catered to by regional and / or unorganised operators. (*Source: The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*)

We propose to set up temperature controlled warehouses in or around Tier II and Tier III cities with a view to expanding our reach and catering to the expected growth from these cities. We intend to leverage our strengths including our:

- existing client base;
- technology advantage; and
- focus on quality,

to successfully penetrate Tier II and Tier III cities in India. Our ability to obtain land for our warehouses may be a significant determinant of our penetration of Tier II and Tier III cities.

### ***Competition***

The Indian temperature controlled logistics business is largely catered to by regional service providers with approximately 6%-7% in warehousing and 15-20% in transportation catered to by organised operators. Further there are very few, if any, organised operators who have a comprehensive pan-India presence. [*Source: The Temperature Controlled Logistics Industry in India - Ernst & Young LLP*] In addition, a number of service providers operate only in one or the other sector i.e. either temperature controlled warehouse business or temperature controlled distribution business. Therefore, we compete against various operators in different business segments in different geographic locations in addition to the regional and / or unorganised service providers.

Further, the temperature controlled logistics industry has not seen the advent of the large corporate houses or multinational companies and, consequently, the scale of operations of most organised competitors is not significantly different from ours. The entry of large domestic or multinational companies may have a detrimental effect on our margins and business operations.

### ***Operating expenses***

Our operating expenses primarily comprise hire charges, vehicle fuel expenses, power charges and vehicle running expenses. In addition, increases in rental costs and energy costs such as electricity and diesel prices may lead to an increase in operating expenses. We seek to reduce the ratio of our operating expenses to our revenues, including through initiatives such as preventive maintenance and better diesel-consumption monitoring. Further, to the extent that we are unable to pass on any increases in operating expenses through to our customers, we could face pressure on our margins.

### ***Ability to Borrow at Favourable Rates***

Our business requires significant amounts of capital expenditure. In the past, we have financed capital expenditure through a mix of equity infusion and borrowing. As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our operations and could constrain our ability to obtain financing on favourable terms and refinance existing indebtedness. In addition, certain of our financing agreements include conditions and restrictive covenants that require us to obtain consents from the respective lenders prior to carrying out certain activities and entering into certain transactions. Any future changes in regulatory restrictions or in the terms typically found in our indebtedness agreements may adversely affect our ability to borrow at favourable rates, which may in turn adversely affect our results of operations.

### ***Ability to successfully implement our growth strategies***

One of the key determinants of our results of operations will be our ability to implement our growth strategies. As a part of our overall growth strategy, we are venturing into more nascent markets and proposing to set up temperature controlled warehouses in such geographic areas. Our ability to complete these projects in time and the time frame within these facilities reach optimum capacity utilisation will be a key factor in our success.

### ***Changes in economic conditions in India***

Our results of operations are highly dependent on the overall economic conditions in India. Any slowdown in the Indian economy including due to changes in interest rates, government policies, taxation, social and 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 the products that we warehouse and distribute, which is influenced by general economic conditions and discretionary income levels. Many factors affect the level of consumer confidence and spending, particularly, in the QSR and restaurant segments, 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.

### ***Our Significant Accounting Policies***

#### **a) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **b) Tangible Assets**

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land, which is stated at cost. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Our company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any

expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/upto the date of such additions/ deletions. Our Company provides depreciation on straight-line basis method at the rates specified under Schedule XIV to the Companies Act. Assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

The leasehold land including building constructed thereon is being amortized over the lease period.

**c) Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 5 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.

**d) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost includes only the purchase cost of the goods. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to record the sale.

**e) Revenue Recognition**

Income from transportation, storage and handling activities is accrued on completion of the service. Income from commission on consignment sales is recognised on the completion of consignment sales.

**f) Other income**

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**g) Foreign Currency Transactions**

**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent Recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, our Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

## **h) Employee Benefits**

### **(1) Defined Contribution Plan**

Contribution towards provident fund and pension scheme for employees is made to the regulatory authorities which are recognised by the Income Tax Authorities and administered through appropriate authorities, where our Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as our Company does not carry any further obligations, apart from the contributions made on a monthly basis.

### **(2) Defined Benefit Plan**

Our Company provides for gratuity, a defined benefit plan (**Gratuity Plan**) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Our Company's liability is actuarially determined by an independent actuary (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### **(3) Other Employee Benefits**

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. Our Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

## **i) Borrowing Cost**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## **j) Current and Deferred Tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, our Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that our Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that our Company will pay normal income tax during the specified period.

**k) Leases**

Assets acquired under operating leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

**l) Employees' Stock Option Scheme**

Equity settled stock options granted under "ESOP Scheme" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share based Payments issued by the Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortised portion.

**m) Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**n) Provisions and Contingent Liabilities**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of our Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**o) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

**p) Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies followed by our Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to our Company as a whole and are not allocable to segments on a reasonable basis, have been included under 'Unallocable corporate expenses'.

**q) Earnings per share**

Basic earnings per share are 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. Earnings considered in ascertaining our Company's earnings per share are the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. 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 is adjusted for the effects of all dilutive potential equity shares.

#### **Changes in Accounting Policies in the last three years**

There have been no recent changes in accounting policies.

#### **Our Business Segments**

Our business is divided into two reportable and certain unidentified segments which are below the reportable threshold criteria as required by the accounting standard AS17 – Segment Reporting on the basis of the nature of the businesses, the differing risks and returns, the organisation structure and our internal reporting systems:

The following table summarises total revenue and operating profit / (loss) from our two reportable and certain unidentified segments which are below the reportable threshold criteria as required by the accounting standard AS17 – Segment Reporting for the Fiscals 2014, 2013, 2012, 2011 and 2010:

(in ₹ million except percentage amounts)

| Business Segment                | Fiscal 2014     |                   |                 | Fiscal 2013     |                   |                 | Fiscal 2012     |                   |                 | Fiscal 2011     |                   |                 | Fiscal 2010     |                   |                 |
|---------------------------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|
|                                 | Segment Revenue | Total Revenue (%) | Segment Results | Segment Revenue | Total Revenue (%) | Segment Results | Segment Revenue | Total Revenue (%) | Segment Results | Segment Revenue | Total Revenue (%) | Segment Results | Segment Revenue | Total Revenue (%) | Segment Results |
| Temperature Controlled Services | 1,518.57        | 98.99             | 353.96          | 926.75          | 81.51             | 238.32          | 596.45          | 97.15             | 167.59          | 451.66          | 100               | 105.89          | 345.70          | 100               | 65.59           |
| Ambient Distribution            | 15.50           | 1.01              | (0.67)          | 201.43          | 17.72             | (4.03)          | 14.12           | 2.30              | 0.46            | -               | -                 | -               | -               | -                 | -               |
| Unidentified segments           | -               | -                 | -               | 8.77            | 0.77              | -               | 3.39            | 0.55              | -               | -               | -                 | -               | -               | -                 | -               |
| <b>Total</b>                    | <b>1,534.07</b> | <b>100.00</b>     | <b>353.29</b>   | <b>1,136.95</b> | <b>100.00</b>     | <b>234.29</b>   | <b>613.96</b>   | <b>100.00</b>     | <b>168.05</b>   | <b>451.66</b>   | <b>100.00</b>     | <b>105.89</b>   | <b>345.70</b>   | <b>100</b>        | <b>65.59</b>    |

## Results of our Operations

The following table provides certain information with respect to our results of operations for Fiscals 2014 2013, 2012, 2011 and 2010, as set forth in our audited restated financial statements.

(in ₹ millions except percentage amounts)

| Particulars              | Fiscal 2014     |                  | Fiscal 2013     |                  | Fiscal 2012   |                   | Fiscal 2011   |                  | Fiscal 2010   |                   |
|--------------------------|-----------------|------------------|-----------------|------------------|---------------|-------------------|---------------|------------------|---------------|-------------------|
|                          | Amount          | Total Revenue(%) | Amount          | Total Revenue(%) | Amount        | Total Revenue (%) | Amount        | Total Revenue(%) | Amount        | Total Revenue (%) |
| <b>Revenue</b>           | 1,534.07        | 98.82            | 1,136.95        | 99.64            | 613.96        | 95.64             | 451.66        | 94.91            | 345.70        | 93.68             |
| Revenue from operations  |                 |                  |                 |                  |               |                   |               |                  |               |                   |
| Other income             | 18.26           | 1.18             | 4.08            | 0.36             | 28.02         | 4.36              | 24.23         | 5.09             | 23.33         | 6.32              |
| <b>Total revenue (A)</b> | <b>1,552.33</b> | <b>100.00</b>    | <b>1,141.03</b> | <b>100.00</b>    | <b>641.98</b> | <b>100.00</b>     | <b>475.89</b> | <b>100.00</b>    | <b>369.03</b> | <b>100.00</b>     |
|                          |                 |                  |                 |                  |               |                   |               |                  |               |                   |
| <b>Expenses</b>          |                 |                  |                 |                  |               |                   |               |                  |               |                   |
| Operating expenses       | 902.40          | 58.13            | 652.01          | 57.14            | 318.64        | 49.63             | 235.92        | 49.57            | 178.70        | 48.42             |
| Purchases of Stock-      | -               | -                | 8.23            | 0.72             | 3.87          | 0.60              |               |                  |               |                   |

| Particulars                              | Fiscal 2014     |                  | Fiscal 2013   |                  | Fiscal 2012   |                   | Fiscal 2011   |                  | Fiscal 2010   |                   |
|------------------------------------------|-----------------|------------------|---------------|------------------|---------------|-------------------|---------------|------------------|---------------|-------------------|
|                                          | Amount          | Total Revenue(%) | Amount        | Total Revenue(%) | Amount        | Total Revenue (%) | Amount        | Total Revenue(%) | Amount        | Total Revenue (%) |
| in-Trade                                 |                 |                  |               |                  |               |                   |               |                  |               |                   |
| Changes in inventories of Stock-in-Trade | -               | -                | 0.54          | 0.05             | (0.54)        | (0.08)            |               |                  |               |                   |
| Employee benefits expense                | 151.92          | 9.79             | 129.32        | 11.33            | 97.65         | 15.21             | 71.03         | 14.93            | 60.79         | 16.47             |
|                                          |                 |                  |               |                  |               |                   |               |                  |               |                   |
| Finance costs                            | 111.79          | 7.20             | 23.99         | 2.10             | 0.53          | 0.08              | 0.06          | 0.01             | 0.24          | 0.07              |
| Depreciation and amortization expense    | 149.71          | 9.64             | 90.71         | 7.95             | 58.77         | 9.15              | 40.21         | 8.45             | 36.10         | 9.78              |
| Other expenses                           | 99.61           | 6.42             | 91.88         | 8.05             | 65.41         | 10.19             | 54.68         | 11.49            | 51.84         | 14.05             |
| <b>Total Expenses (B)</b>                | <b>1,415.43</b> | <b>91.18</b>     | <b>996.68</b> | <b>87.35</b>     | <b>544.33</b> | <b>84.79</b>      | <b>401.90</b> | <b>84.45</b>     | <b>327.67</b> | <b>88.79</b>      |
| <b>Profit before tax (A-B)</b>           | 136.90          | 8.82             | 144.35        | 12.65            | 97.65         | 15.21             | 73.99         | 15.55            | 41.36         | 11.21             |
| <b>Tax Expenses</b>                      |                 |                  |               |                  |               |                   |               |                  |               |                   |
| Current tax (MAT)                        | 29.32           | 1.89             | 44.62         | 3.91             | 4.86          | 0.76              | 9.24          | 1.94             | -             | -                 |
| MAT Credit Entitlement                   | -               | -                | -             | -                | (4.86)        | (0.76)            | (9.24)        | (1.94)           | -             | -                 |
| Deferred tax                             | (117.21)        | (7.55)           | (90.23)       | (7.91)           | 34.09         | 5.31              | 9.54          | 2.00             | -             | -                 |
|                                          |                 |                  |               |                  |               |                   |               |                  |               |                   |
| <b>Profit for the year</b>               | <b>224.79</b>   | <b>14.48</b>     | <b>189.96</b> | <b>16.65</b>     | <b>63.56</b>  | <b>9.90</b>       | <b>64.45</b>  | <b>13.54</b>     | <b>41.36</b>  | <b>11.21</b>      |

## **Principal Components of our Statement of Profit and Loss Account**

### **Revenue**

Our revenue consists of:

- a. revenue from operations;
  - b. other income.
- a. Our revenue from operations comprises income from temperature controlled services and income from ambient services and sale of traded goods. Other income consists of interest income, profit on sale of assets, prior period income, provision no longer required written back and miscellaneous income. Our total revenue for the Fiscals 2014, 2013, 2012, 2011 and 2010 was ₹ 1,552.33 million, ₹1,141.03 million, ₹641.98 million, ₹475.89 million, and ₹369.03 million, respectively.

The following table sets out certain information relating to revenues from operations:

(in ₹million)

| Revenue from Operations                     | Year Ended        |                   |                   |                   |                   |
|---------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                             | March 31,<br>2014 | March 31,<br>2013 | March 31,<br>2012 | March 31,<br>2011 | March 31,<br>2010 |
| Sale of traded goods                        | -                 | 8.77              | 3.39              | -                 | -                 |
| <b>Sale of Services :</b>                   |                   |                   |                   |                   |                   |
| Income from temperature controlled services | 1,510.25          | 915.98            | 585.38            | 438.73            | 321.99            |
| Income from ambient services                | 15.50             | 201.43            | 14.12             | -                 | -                 |
| Income from consignment agency services     | 8.32              | 10.77             | 11.07             | 12.93             | 23.71             |
| <b>Total</b>                                | <b>1,534.07</b>   | <b>1,136.95</b>   | <b>613.96</b>     | <b>451.66</b>     | <b>345.70</b>     |

#### *Sale of traded goods*

Sale of traded goods comprises sale of fruits.

#### *Income from temperature controlled services*

Our income from temperature controlled services comprises income from temperature controlled warehousing and temperature controlled transportation. For temperature controlled warehousing, the revenue is billed on a 'per pallet' basis. The revenue billing in the temperature controlled transportation business is based on the weight and volume characteristics of the freight as well as the distance over which the freight is transported

#### *Income from ambient services*

For ambient services, revenue is billed on a 'per pallet' basis in case of warehousing and weight and volume characteristics of the consignments as well as the distances over which they are transported in case of transportation.

#### *Income from consignment agency services*

Under consignment agency services, we offer a range of supply chain services including inventory management, order collection and tax administration. Revenue from consignment agency business is commission based.

#### *b. Other Income*

Other income consists items such as interest income, profit on sale of assets, provision no longer required to be written back and miscellaneous income.

## Expenses

Our expenses consists of operating expenses, purchases of stock-in-trade, changes in inventories of stock-in-trade, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses. Operating expenses primarily comprise power charges, cold storage rent, labour charges, vehicle fuel expenses, vehicle running expenses, vehicle repair and maintenance and hire charges vehicle and containers. Expenses that are primarily fixed in nature include rent, rates and taxes, insurance and repair and maintenance.

### Operating Expenses

Operating expenses comprise direct expenses related to operating our temperature controlled warehouses and vehicles and indirect operating expenses which primarily include: (i) power charges; (ii) cold storage rent; (iii) labour charges; (iv) repair and maintenance; (v) security and other charges; (vi) vehicle running expenses; (vii) vehicle fuel expenses; (viii) hire charges - vehicles and containers; and (ix) vehicle repair and maintenance.

Power charges, vehicle fuel expenses and hire charges vehicle and containers are the major components of our expenses. Fluctuations in power and fuel prices are beyond our control. Power and fuel costs in relation to our revenues have remained relatively constant without a significant impact on our margins.

Labour charges primarily comprise payments in respect of our contracted employees engaged at our temperature controlled warehouses.

Our repair and maintenance expenses consist of scheduled and unscheduled maintenance of our temperature controlled warehouses, vehicles, engines and other parts. In order to optimize and control maintenance costs, we carry out preventive maintenance on all our temperature controlled warehouses and vehicles. Repairs and maintenance expenses also include repairs of plant and machinery and maintenance of computers.

Security and other charges comprise security charges, pallet hire charges, loading and unloading and pest control charges.

Vehicle running expenses primarily comprise driver wages and allowances and other miscellaneous expenses.

The following table illustrates the breakup of our operating expenses as a percentage of our total revenue for Fiscal 2014, 2013, 2012, 2011 and 2010, respectively.

| Operating expenses                         | Fiscal 2014 | %of Total Revenue | Fiscal 2013 | %of Total Revenue | Fiscal 2012 | % of Total Revenue | Fiscal 2011 | % of Total Revenue | Fiscal 2010 | % of Total Revenue |
|--------------------------------------------|-------------|-------------------|-------------|-------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|
| Power Charges                              | 114.21      | 7.36              | 80.45       | 7.05              | 55.82       | 8.69               | 45.63       | 9.59               | 35.27       | 9.56               |
| Cold Storage Rent                          | 54.62       | 3.52              | 35.69       | 3.13              | 21.51       | 3.35               | 18.44       | 3.87               | 14.72       | 3.99               |
| Labour Charges                             | 60.10       | 3.87              | 36.34       | 3.18              | 30.20       | 4.70               | 20.04       | 4.21               | 15.54       | 4.21               |
| Repair and Maintenance – Plant & Machinery | 17.25       | 1.11              | 9.34        | 0.82              | 11.44       | 1.78               | 10.45       | 2.20               | 6.40        | 1.73               |
| Repair and Maintenance – Vehicles          | 25.24       | 1.63              | 19.57       | 1.72              | 15.91       | 2.48               | 17.16       | 3.61               | 13.46       | 3.65               |
| Security and other charges                 | 27.51       | 1.77              | 15.19       | 1.33              | 14.06       | 2.19               | 8.79        | 1.85               | 7.83        | 2.12               |
| Vehicle Running Expenses                   | 127.40      | 8.21              | 67.41       | 5.91              | 29.73       | 4.63               | 19.28       | 4.05               | 16.30       | 4.42               |
| Vehicle Fuel Expenses                      | 333.42      | 21.48             | 145.53      | 12.75             | 82.27       | 12.82              | 47.94       | 10.07              | 37.57       | 10.18              |
| Hire                                       | 142.65      | 9.19              | 242.49      | 21.25             | 57.70       | 8.99               | 48.19       | 10.13              | 31.61       | 8.57               |

| <b>Operating expenses</b>         | <b>Fiscal 2014</b> | <b>% of Total Revenue</b> | <b>Fiscal 2013</b> | <b>% of Total Revenue</b> | <b>Fiscal 2012</b> | <b>% of Total Revenue</b> | <b>Fiscal 2011</b> | <b>% of Total Revenue</b> | <b>Fiscal 2010</b> | <b>% of Total Revenue</b> |
|-----------------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|---------------------------|
| Charges – Vehicles and Containers |                    |                           |                    |                           |                    |                           |                    |                           |                    |                           |
| <b>Total Operating Expenses</b>   | <b>902.40</b>      | <b>58.13</b>              | <b>652.01</b>      | <b>57.14</b>              | <b>318.64</b>      | <b>49.63</b>              | <b>235.92</b>      | <b>49.57</b>              | <b>178.70</b>      | <b>48.42</b>              |

#### *Employee benefit expense*

Employee benefit expense consists of salaries and wages, contributions to provident and other funds and staff welfare expenses. Increases in employee benefit expenses are primarily due to increases in salaries and wages and increase in employee strength.

#### *Finance Cost*

Interest expenses include the bank guarantee commission, interest paid on term and bank loans, interest on cash credits and interest on tax shortfalls. Finance charges 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 amortization expense*

Depreciation and amortization expense comprise depreciation of our buildings, plant and machinery, computers, software, furniture and fixtures, office equipment, vehicles and amortization of the leased land.

#### *Other Expenses*

Other expenses include rent, electricity charges of offices, printing and stationery, insurance, rates and taxes, legal and professional charges, auditors remuneration, communication expenses, travelling and conveyance charges, recruitment and training expenses, bad debts / advances written off, provision for doubtful debts and advances, assets written off, selling and distribution expenses, other repairs and maintenance expenses and miscellaneous expenses.

#### ***Tax Expense***

##### *Current Tax*

We are liable to pay taxes under the Minimum Alternate Tax (**MAT**) (as defined under Section 115JB of the Income Tax Act) primarily because of certain unabsorbed depreciation and carried forward losses. MAT is a tax on book profits that was introduced by the Government starting in Fiscal 1997. MAT is applicable only if the tax payable under the MAT provisions is greater than the tax on taxable income calculated at the normal rates. The provision for tax is therefore calculated at the effective rate of 20.01% for Fiscal 2013.

##### *Deferred Tax*

Deferred tax arises from timing differences between book profits and taxable (accounting) profits that originates in one period and is capable of reversal in one or more subsequent periods. It is measured using tax rates and laws that have been enacted or substantively enacted as on the date of the balance sheet. We provide for deferred tax liability on such timing differences, subject to prudent considerations in respect of deferred tax assets. The significant timing differences include the difference in depreciation charged to the Statement of profit and loss and the depreciation claimed under the Income Tax Act, the items of expenditure covered under section 43B of the Income Tax Act and the unabsorbed depreciation and carried forward losses.

## Results of Operations for Fiscal 2014 compared to Fiscal 2013

### Revenue

Our total revenue increased by 36.05% from ₹1,141.03 million for Fiscal 2013 to ₹1,552.33 million for Fiscal 2014. This increase was primarily due to an increase in the pallet storage capacity in the warehousing division and the increase in fleet size in distribution division.

#### *Income from temperature controlled services:*

Income from the temperature controlled services business increased by 64.88% from ₹915.98 million for Fiscal 2013 to ₹1,510.25 million for Fiscal 2014. Our temperature controlled services business improved as a result of an increase in the pallet storage capacity in the warehousing division (from 36,071 pallets as at March 31, 2013 to 58,543 pallets as at March 31, 2014) and the increase in fleet size in distribution division (from 167 as at March 31, 2013 to 370 as at March 31, 2014).

#### *Income from ambient services:*

Income from the ambient services business decreased from ₹201.43 million for Fiscal 2013 to ₹15.50 million for Fiscal 2014 due to scaling down of operations in this segment.

#### *Income from consignment agency services*

Income from consignment agency services decreased by 22.75% from ₹10.77 million for Fiscal 2013 to ₹8.32 million for Fiscal 2014 on account of discontinuing this service in one of our locations.

#### *Other Income*

Other income consists items such as interest income, profit on sale of assets, provision no longer required to be written back and miscellaneous income. Other Income increased by 347.55% from ₹4.08 million for Fiscal 2013 to ₹18.26 million for Fiscal 2014 due to increase in interest income on account of deployment of surplus funds in fixed deposits.

### Expenses

Total expenses increased by 42.01%, from ₹996.68 million for Fiscal 2013 to ₹1,415.43 million for Fiscal 2014. This increase was primarily due to increase in the pallet storage capacity in the warehousing division (from 36,071 pallets as at March 31, 2013 to 58,543 pallets as at March 31, 2014) and the increase in fleet size in distribution division (from 167 as at March 31, 2013 to 370 as at March 31, 2014). Expenses as a percentage of total revenue were 91.18 % for Fiscal 2014 as compared to 87.35% for Fiscal 2013.

#### *Operating Expenses*

Operating expenses increased by 38.40%, from ₹652.01 million for Fiscal 2013 to ₹902.40 million for Fiscal 2014 constituting 57.14% of our total revenue for Fiscal 2013 to 58.13% of our total revenue for Fiscal 2014. This increase in absolute terms was primarily due to an increase in the pallet storage capacity in the warehousing division, the consequent increase in power charges, cold storage rent and the increase in fleet size in distribution division which resulted in an increase, amongst others, in the vehicle running expenses and vehicle repair and maintenance expenses. The increase in percentage terms, though, was primarily on account of an increase in the vehicle hire-charges in our ambient services. Our expense on major operating expenses was as follows:

- Power charges were ₹114.21 million constituting 7.36% of our total revenue for Fiscal 2014 as compared to ₹80.45 million constituting 7.05% of our total revenue for Fiscal 2013. The increase was primarily on account of increase in our total warehousing capacity as well as the increase in per unit cost of electricity and diesel cost.
- Cold storage rent was ₹54.62 million constituting 3.52% of our total revenue for Fiscal 2014 as compared to ₹35.69 million constituting 3.13% of our total revenue for Fiscal 2013. The increase was primarily on account of increase in our total warehousing capacity.

- Repair and maintenance cost – Plant & Machinery was ₹17.25 million constituting 1.11% of our total revenue for Fiscal 2014 as compared to ₹9.34 million constituting 0.82% of our total revenue for Fiscal 2013. The increase in our repair and maintenance costs was primarily due to refurbishment of certain of the older warehouses.
- Vehicle fuel expenses were ₹333.42 million, constituting 21.48% of our total revenue for Fiscal 2014 as compared to ₹145.53 million constituting 12.75% of our total revenue for Fiscal 2013. The increase in cost was primarily on account of an increase in the fleet size from 167 as at March 31, 2013 to 370 as at March 31, 2014 as well as increase in diesel cost.
- Hire charges-vehicles and containers were ₹142.65 million constituting 9.19% of our total revenue for Fiscal 2014 as compared to ₹242.49 million constituting 21.25% of our total revenue for Fiscal 2013. The decrease was primarily on account of scaling down the ambient services segment.
- Vehicle repair and maintenance - Vehicles were ₹25.24 million constituting 1.63% of our total revenue for Fiscal 2014 as compared to ₹19.57 million constituting 1.72% of our total revenue for Fiscal 2013. The increase in cost was primarily on account of an increase in fleet size.
- Labour charges were ₹60.10 million constituting 3.87% of our total revenue for Fiscal 2014 as compared to ₹36.34 million or 3.18% of our total revenue for Fiscal 2013. The increase in cost was primarily on account of an increase in our total warehousing capacity and increase in wages.
- Security and other charges were ₹27.51 million constituting 1.77% of our total revenue for Fiscal 2014 as compared to ₹15.19 million constituting 1.33% of our total revenue for Fiscal 2013. The increase in the total cost was primarily on account of an increase in our total warehousing capacity.
- Vehicle running expenses were ₹127.40 million constituting 8.21% of our total revenue for Fiscal 2014 as compared to ₹67.41 million constituting 5.91% of our total revenue for Fiscal 2013. The increase was primarily on account of an increase in the fleet size from 167 as at March 31, 2013 to 370 as at March 31, 2014.

#### *Employee Benefits Expense*

Employee benefits expense increased by 17.48 %, from ₹ 129.32 million during Fiscal 2013 to ₹151.92 million for Fiscal 2014. The increase in cost was primarily due to increase in headcount of employees and the annual increase in remuneration. Our total employee strength increased from 354 as of March 31, 2013 to 383 as of March 31, 2014. However, employee benefits expense decreased from 11.33% of our total revenue for Fiscal 2013 to 9.79% of our total revenue for Fiscal 2014.

#### *Other Expenses*

Other expenses increased by 8.41% from ₹91.88 million for Fiscal 2013 to ₹99.61 million for Fiscal 2014. Other expenses as a percentage of our total revenue were 6.42% for Fiscal 2014 compared to 8.05 % for Fiscal 2013. The increase was primarily on account of increase in travelling and conveyance expenses.

#### *Finance Costs*

Finance costs increased from ₹23.99 million for Fiscal 2013 to ₹111.79 million for Fiscal 2014. This increase was primarily due to the new term loans availed by our Company to fund expansion plans. Finance costs as a percentage of our total revenue was 7.20% for Fiscal 2014 compared to 2.10% for Fiscal 2013.

#### *Depreciation and Amortisation Expenses*

Depreciation and amortisation expenses increased by 65.04% from ₹90.71 million for Fiscal 2013 and ₹149.71 million for Fiscal 2014 due to the increase in total warehousing capacity. These expenses reflect the depreciation on buildings, plant and machinery, vehicles, computer equipments, furniture and fixtures, office equipments and amortisation of computer software. Depreciation as a percentage of our total revenue increased from 7.95% for Fiscal 2013 to 9.64% for Fiscal 2014.

#### *Profit before tax*

The profit before tax decreased from ₹144.35 million for Fiscal 2013 to ₹136.90 million for Fiscal 2014 due to the reasons mentioned in the revenue and expenses sections above. As a percentage of our total revenue, our profit before tax decreased to 8.82% for Fiscal 2014 from 12.65% for Fiscal 2013.

### ***Tax Expenses***

Our Tax credit increased to ₹87.89 million for Fiscal 2014 from ₹45.61 million for Fiscal 2013. This was on account of increase in deferred tax credit in Fiscal 2014 on account of the 150% deduction benefit, of the capital expenditure, allowed under section 35AD of Income Tax Act, 1961.

### ***Net Profit as restated***

As a result of the foregoing factors, our net profit as restated increased by 16.84% from ₹198.79 million for Fiscal 2013 to ₹232.27 million for Fiscal 2014. As a percentage of our total revenue, our net profit as restated decreased from 17.42% for Fiscal 2013 to 14.96% for Fiscal 2014.

## **Results of Operations for Fiscal 2013 compared to Fiscal 2012**

### ***Revenue***

Our total revenue increased by 77.74% from ₹641.98 million in Fiscal 2012 to ₹1,141.03 million in Fiscal 2013. This increase was primarily due to an increase in the pallet storage capacity in the warehousing division, the increase in fleet size in distribution division and increase in ambient service business.

#### *Income from temperature controlled services:*

Income from the temperature controlled services business increased by 56.48% from ₹585.38 million in Fiscal 2012 to ₹915.98 million in Fiscal 2013. Our temperature controlled services business improved as a result of an increase in the pallet storage capacity in the warehousing division (from 18,093 pallets as at March 31, 2012 to 36,071 pallets as at March 31, 2013) and the increase in fleet size in distribution division (from 127 as at March 31, 2012 to 167 as at March 31, 2013).

#### *Income from ambient services:*

Income from the ambient services business increased from ₹14.12 million in Fiscal 2012 to ₹201.43 million in Fiscal 2013. The ambient services business had only commenced in Fiscal 2012 and, consequently, the full year impact of the operations was realised only in Fiscal 2013.

#### *Income from consignment agency services*

Income from consignment agency services decreased by 2.71% from ₹11.07 million in Fiscal 2012 to ₹10.77 million in Fiscal 2013 on account of reduction in business volume of one of the warehouses.

### ***Other Income***

Other income consists items such as interest income, profit on sale of assets, provision no longer required to be written back and miscellaneous income. Other Income decreased by 85.44% from ₹28.02 million in Fiscal 2012 to ₹4.08 million in Fiscal 2013 due to reduction in interest income on account of deployment of surplus funds towards expansion.

### ***Expenses***

Total expenses increased by 83.10%, from ₹544.33 million in Fiscal 2012 to ₹996.68 million in Fiscal 2013. This increase was primarily due to increase in the pallet storage capacity in the warehousing division (from 18,093 pallets as at March 31, 2012 to 36,071 pallets as at March 31, 2013) and the increase in fleet size in distribution division (from 127 as at March 31, 2012 to 167 as at March 31, 2013) and an increase in ambient service business. Expenses as a percentage of total revenue were 87.35% in Fiscal 2013 as compared to 84.79% in Fiscal 2012.

### *Operating Expenses*

Operating expenses increased by 104.62%, from ₹318.64 million in Fiscal 2012 to ₹652.01million in Fiscal 2013 constituting 49.63% of our total revenue in Fiscal 2012 to 57.14% of our total revenue for Fiscal 2013. This increase in absolute terms was primarily due to an increase in the pallet storage capacity in the warehousing division, the consequent increase in power charges, cold storage rent and the increase in fleet size in distribution division which resulted in an increase, amongst others, in the vehicle running expenses and vehicle repair and maintenance expenses. The increase in percentage terms, though, was primarily on account of an increase in the vehicle hire-charges in our ambient services. Our expenses on major operating expenses was as follows:

- Power charges were ₹80.45 million constituting 7.05% of our total revenue for the Fiscal 2013 as compared to ₹55.82 million constituting 8.69% of our total revenue in the Fiscal 2012. The increase was primarily on account of an increase in our total warehousing capacity as well as the increase in per unit cost of electricity and diesel cost.
- Cold storage rent was ₹35.69 million constituting 3.13% of our total revenue for the Fiscal 2013 as compared to ₹21.51 million constituting 3.35% of our total revenue in the Fiscal 2012. While there was an increase in cold storage rent in absolute terms, primarily on account of an increase in our total storage capacity, cold storage rent as a percentage of total revenue reduced on account of a proportionately greater increase in revenue vis-a-vis rent.
- Repair and maintenance - plant and machinery costs were ₹9.34 million constituting 0.82% of our total revenue for Fiscal 2013 as compared to ₹11.44 million constituting 1.78% of our total revenue in Fiscal 2012. The decrease in our repair and maintenance costs were primarily was due to our Company incurred lesser expenses during the said period.
- Vehicle fuel expenses were ₹145.53 million, constituting 12.75% of our total revenue for Fiscal 2013 as compared to ₹82.27 million constituting 12.82% of our total revenue in Fiscal 2012. The increase in cost was primarily on account of an increase in the fleet size from 127 as at March 31, 2012 to 167 as at March 31, 2013 as well as increase in diesel cost.
- Hire charges-vehicles and containers were ₹242.49 million constituting 21.25% of our total revenue for Fiscal 2013 as compared to ₹57.70 million constituting 8.99% of our total revenue in Fiscal 2012. The increase was primarily on account of an increase in ambient services and increase in fleet in temperature controlled distribution division.
- Vehicle repair and maintenance were ₹19.57 million constituting 1.72% of our total revenue for Fiscal 2013 as compared to ₹15.91 million constituting 2.48% of our total revenue in Fiscal 2012. The increase in cost was primarily on account of an increase in fleet size.
- Labour charges were ₹36.34 million constituting 3.18% of our total revenue for Fiscal 2013 as compared constituting ₹30.20 million or 4.70% of our total revenue in Fiscal 2012. The increase in cost was primarily on account of an increase in our total warehousing capacity and increase in wages.
- Security and other charges were ₹15.19 million constituting 1.33% of our total revenue for Fiscal 2013 as compared to ₹14.06 million constituting 2.19% of our total revenue in Fiscal 2012.
- Vehicle running expenses were ₹67.41 million constituting 5.91% of our total revenue for Fiscal 2013 as compared to ₹29.73 million constituting 4.63% of our total revenue in Fiscal 2012. The increase was primarily on account of an increase in the fleet size from 127 as at March 31, 2012 to 167 as at March 31, 2013.

### *Employee Benefits Expense*

Employee benefits expense increased by 32.43%, from ₹97.65 million in Fiscal 2012 to ₹129.32 million in Fiscal 2013. The increase in cost was primarily due to increase in headcount of employees and the annual increase in remuneration. Our total employee strength increased from 262 as of March 31, 2012 to 354 as of

March 31, 2013. However, employee benefits expense decreased from 15.21% of our total revenue in Fiscal 2012 to 11.33% of our total revenue for Fiscal 2013.

#### *Other Expenses*

Other expenses increased by 40.47% from ₹65.41 million in Fiscal 2012 to ₹91.88 million in Fiscal 2013. Other expenses as a percentage of our total revenue were 8.05% in Fiscal 2013 compared to 10.19 % in Fiscal 2012. The increase was primarily on account of increase in travelling and conveyance, provision for doubtful debts and advances, selling and distribution and miscellaneous expenses.

#### *Finance Costs*

Finance costs increased from ₹0.53 million in Fiscal 2012 to ₹23.99 million in Fiscal 2013. This increase was primarily due to the new term loans availed by our Company during Fiscal 2013. Finance costs as a percentage of our total revenue was 2.10% in Fiscal 2013 compared to 0.08% in Fiscal 2012.

#### *Depreciation and Amortisation Expenses*

Depreciation and amortisation expenses increased by 54.35% from ₹58.77 million and ₹90.71 million as depreciation and amortisation expense in Fiscal 2012 and Fiscal 2013, respectively. These expenses reflect the depreciation on buildings, plant and machinery, vehicles, computer equipments, furniture and fixtures, office equipments and amortisation of computer software. Depreciation as a percentage of our total revenue decreased from 9.15% in Fiscal 2012 to 7.95% in Fiscal 2013 as our total revenue has increased substantially as against capital expenditure.

#### *Profit before tax*

The profit before tax increased from ₹97.65 million in Fiscal 2012 to ₹144.35 million in Fiscal 2013 due to the reasons for the changes mentioned in the revenue and expenses sections above. As a percentage of our total revenue, our profit before tax decreased to 12.65% in Fiscal 2013 from 15.21% in Fiscal 2012.

#### *Tax Expenses*

Our Tax expense decreased to a credit of ₹ (45.61) million in Fiscal 2013 from expense of ₹34.09 million for Fiscal 2012, after considering the Nil MAT credit in Fiscal 2013 and a MAT credit of ₹4.86 million in Fiscal 2012. This decrease was on account of deferred tax credit in Fiscal 2013 on account of the 150% deduction benefit, of the capital expenditure, allowed under section 35AD of Income Tax Act, 1961.

#### *Net Profit as restated*

As a result of the foregoing factors, our net profit as restated increased by 303.96% from ₹49.21 million in Fiscal 2012 to ₹198.79 million in Fiscal 2013. As a percentage of our total revenue, our net profit as restated increased from 7.67% in Fiscal 2012 to 17.42% in Fiscal 2013.

### **Results of Operations for Fiscal 2012 compared to Fiscal 2011**

#### *Revenue*

Our total revenue increased by 34.90% from ₹475.89 million in Fiscal 2011 to ₹641.98 million in Fiscal 2012. This increase was primarily due to an increase in the pallet storage capacity in the warehousing division (from 16,223 pallets as at March 31, 2011 to 18,093 pallets as at March 31, 2012) and the increase in fleet size in distribution division (from 94 as at March 31, 2011 to 127 as at March 31, 2012).

#### *Income from the temperature controlled services:*

Income from the temperature controlled services business increased by 33.43% from ₹438.73 million in Fiscal 2011 to ₹585.38 million in Fiscal 2012. The increase in revenue was as a result of an increase in pallet storage capacity in the warehousing division and an increase in the fleet size in distribution division.

#### *Income from the ambient services:*

We started ambient services in Fiscal 2012 and the revenue from it was ₹14.12 million.

#### *Income from consignment agency services*

Income from consignment agency services decreased by 14.39% from ₹12.93 million in Fiscal 2011 to ₹11.07 million in Fiscal 2012 on account of reduction in business volume of one of the warehouses.

#### *Other Income*

Other Income increased by 15.64% to ₹28.02 million in Fiscal 2012 from ₹24.23 million in Fiscal 2011 primarily on account of increase in provision no longer required written back partially offset by decrease in interest income.

#### **Expenses**

Total expenses increased by 35.44 %, from ₹401.90 million in Fiscal 2011 to ₹544.33 million in Fiscal 2012. Total expenses as a percentage of our total revenue were 84.79% in Fiscal 2012 as compared to 84.45% in Fiscal 2011.

#### *Operating Expenses*

Operating expenses increased by 35.06%, from ₹235.92 million in Fiscal 2011 to ₹318.64 million in Fiscal 2012. However, operating expenses increased from 49.57% of our total revenue in Fiscal 2011 to 49.63% of our total revenue for Fiscal 2012. Our expenses on major operating expenses were as follows:

- Power charges were ₹55.82 million constituting 8.69% of our total revenue for the Fiscal 2012 as compared to ₹45.63 million constituting 9.59% of our total revenue in the Fiscal 2011. The increase in the total power charges was primarily on account of an increase in our total warehousing capacity as well as the increase in per unit cost of electricity and diesel cost.
- Cold storage rent was ₹21.51 million constituting 3.35% of our total revenue for the Fiscal 2012 as compared to ₹18.44 million constituting 3.87% of our total revenue in the Fiscal 2011. The increase in cold storage rent was primarily on account of an increase in our total warehousing capacity.
- Repair and maintenance - plant and machinery costs were ₹11.44 million, constituting 1.78% of our total revenue for Fiscal 2012 as compared to ₹10.45 million constituting 2.20% of our total revenue in Fiscal 2011.
- Vehicle fuel expenses were ₹82.27 million constituting 12.82% of our total revenue for Fiscal 2012 as compared to ₹47.94 million constituting 10.07% of our total revenue in Fiscal 2011. The increase in cost was primarily on account of an increase in the fleet size as well as increase in diesel cost.
- Hire charges – Vehicles and containers were ₹57.70 million constituting 8.99% of our total revenue for Fiscal 2012 as compared to ₹48.19 million constituting 10.13% of our total revenue in Fiscal 2011. The increase in cost in absolute terms was primarily on account of an increase in the fleet size.
- Vehicle repair and maintenance costs were ₹15.91 million constituting 2.48% of our total revenue for Fiscal 2012 as compared to ₹17.16 million constituting 3.61% of our total revenue in Fiscal 2011. Decrease in repair and maintenance cost was due to replacement of old vehicles.
- Labour charges were ₹30.20 million constituting 4.70% of our total revenue for Fiscal 2012 as compared to ₹20.04 million constituting 4.21% of our total revenue in Fiscal 2011. The increase in the total cost was primarily on account of an increase in our total warehousing capacity and increase in wages
- Security and other charges were ₹14.06 million constituting 2.19% of our total revenue for Fiscal 2012 as compared to ₹8.79 million constituting 1.85% of our total revenue in Fiscal 2011. The increase in

the total cost was primarily on account of an increase in our total warehousing capacity.

- Vehicle running expenses were ₹29.73 million constituting 4.63% of our total revenue for Fiscal 2012 as compared to ₹19.28 million constituting 4.05% of our total revenue in Fiscal 2011. The increase in cost was primarily on account of an increase in the fleet size.

#### *Employee Benefits Expense*

Employee benefits expense increased by 37.48% from ₹71.03 million in Fiscal 2011 to ₹97.65 million in Fiscal 2012. The increase was primarily due to increase in headcount of employees and the annual increase in remuneration. Our total employees increased from 237 as of March 31, 2011 to 262 as of March 31, 2012. However, employee benefits expense increased from 14.93% of our total revenue in Fiscal 2011 to 15.21% of our total revenue for Fiscal 2012.

#### *Other Expenses*

Other expenses increased by 19.62%, from ₹54.68 million in Fiscal 2011 to ₹65.41 million in Fiscal 2012. Other expenses as a percentage of our total revenue were 10.19% in Fiscal 2012 compared to 11.49% in Fiscal 2011.

#### *Finance Costs*

Finance costs charges increased from ₹0.06 million in Fiscal 2011 to ₹0.53 million in Fiscal 2012. Finance costs as a percentage of our total revenue was 0.08% in Fiscal 2012 compared to 0.01% in Fiscal 2011.

#### *Depreciation and Amortisation Expense*

Depreciation and amortisation expense increased by 46.16% from ₹40.21 million and ₹58.77 million in Fiscal 2011 and Fiscal 2012, respectively. These expenses reflect principally the depreciation on buildings, plant and machinery, vehicles, computer equipments, furniture and fixtures office equipments and amortisation of computer softwares. Depreciation and amortisation expense as a percentage of our total revenue increased from 8.45% in Fiscal 2011 to 9.15% in Fiscal 2012.

#### ***Profit before tax***

Our profit before tax increased from ₹73.99 million in Fiscal 2011 to ₹97.65 million in Fiscal 2012 due to the reasons for the changes mentioned in the revenue and expenses sections above. As a percentage of our total revenue, our profit before tax decreased to 15.21% in Fiscal 2012 from 15.55% in Fiscal 2011.

#### ***Tax Expense***

Our tax expense increased to ₹34.09 million in Fiscal 2012 from ₹9.54 million for Fiscal 2011, which is an increase of ₹24.55 million or 257.34% after considering the MAT credit of ₹4.86 million and ₹9.24 million in Fiscal 2012 and Fiscal 2011, respectively.

#### ***Net Profit as restated***

As a result of the foregoing factors, our net profit as restated decreased by 22.59% from ₹63.57 million in Fiscal 2011 to ₹49.21 million in Fiscal 2012. As a percentage of our total revenue, our net profit as restated decreased from 13.36% in Fiscal 2011 to 7.67% in Fiscal 2012.

#### **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 on March 31, 2014, we had ₹ 160.94 million in cash and cash equivalents, and ₹ 904.00 million in term loans facility. For further information, please see the chapter entitled 'Financial Indebtedness' on page 183 of this Prospectus.

We believe that our anticipated cash flow from operations, committed debt facilities, together with proceeds from this Issue and our existing cash, will be sufficient to meet our operating and capital expenditure requirements for the Fiscal 2015.

### **Cash Flows**

The table below summarizes the statement of cash flows, as per our restated cash flow statements, for the year indicated:

| <b>Particulars</b>                                           | <b>For the year ended March 31,</b> |                |                 |                 |               |
|--------------------------------------------------------------|-------------------------------------|----------------|-----------------|-----------------|---------------|
|                                                              | <b>2014</b>                         | <b>2013</b>    | <b>2012</b>     | <b>2011</b>     | <b>2010</b>   |
| Net Cash generated from operating activities                 | 146.66                              | 139.61         | 109.90          | 100.92          | 18.95         |
| Net Cash generated (used in) investing activities            | (1,164.37)                          | (1,133.83)     | (262.19)        | (247.44)        | (64.15)       |
| Net Cash generated from (used in) financing activities       | 1,105.35                            | 926.97         | (0.29)          | (0.06)          | 237.65        |
| <b>Net increase/ (decrease) in cash and cash equivalents</b> | <b>87.64</b>                        | <b>(67.25)</b> | <b>(152.58)</b> | <b>(146.58)</b> | <b>192.45</b> |

### **Operating Activities**

For the Fiscal 2014, net cash generated from operating activities was ₹ 146.66 million and our restated profit before tax was ₹ 148.24 million. Certain adjustments made to the restated profit before tax include depreciation of ₹149.71 million, interest paid of ₹ 111.79 million, profit on sale of fixed assets of ₹ 0.62 million, direct taxes paid (net of refunds) of ₹ 39.21 million, provision for doubtful debts and advances of ₹ 21.83 million, assets/investments written off of ₹0.22 million, interest received of ₹ 17.58 million and changes in working capital such as an increase in trade receivables of ₹144.43 million, increase in loans and advances of ₹ 69.72 million and increase in current liabilities of ₹0.80 million.

In Fiscal 2013, net cash generated from operating activities was ₹ 139.61 million and our restated profit before tax was ₹ 135.60 million. Certain adjustments made to the restated profit before tax include depreciation of ₹90.71million, interest paid of ₹ 23.03 million, profit on sale of fixed assets of ₹ 1.21 million, direct taxes paid (net of refunds) of ₹ 18.39 million, provision for doubtful debts and advances of ₹ 14.65 million, assets/investments written off of ₹0.62 million, interest received of ₹ 1.99 million and changes in working capital such as an increase in trade receivables of ₹ 159.88 million, increase in loans and advances of ₹ 75.02 million, decrease in inventories of ₹ 0.54 million and increase in current liabilities of ₹ 117.86 million.

In Fiscal 2012, net cash generated from operating activities was ₹ 109.90 million and our restated profit before tax was ₹ 95.66 million. Certain adjustments made to the restated profit before tax include depreciation of ₹ 58.77 million, interest paid of ₹ 0.29 million, direct taxes paid (net of refunds) of ₹ 10.90 million, provision for doubtful debts and advances of ₹ 10.01 million, profit on sale of assets of ₹ 0.76 million, interest received of ₹ 19.30 million, bad debts/irrecoverable advances written off of ₹ 2.86 million, assets/investment written off of ₹ 0.69 million, liabilities no longer required written back ₹ 0.83 million and changes in working capital such as an increase in trade receivables of ₹ 33.97 million, increase in loans and advances of ₹13.36 million, increase in inventories of ₹ 0.54 million and increase in current liabilities of ₹ 21.28million.

### *Investing Activities*

For the Fiscal 2014, net cash used in investing activities was ₹ 1,164.37 million. This reflected expenditure incurred towards purchase of tangible/intangible assets of ₹ 1,179.89 million, partially offset by sale of fixed assets of ₹0.83 million and interest received of ₹14.69 million. Our expenditure on tangible assets primarily included expenses for expansion of our warehousing capacity

In Fiscal 2013, net cash used in investing activities was ₹ 1,133.83 million. This reflected expenditure incurred towards purchase of tangible/intangible assets of ₹ 1137.86 million, partially offset by sale of fixed assets of ₹ 1.89 million and interest received of ₹ 2.14 million. Our expenditure on tangible assets primarily included expenses for expansion of our warehousing capacity and our fleet size

In Fiscal 2012, net cash used in investing activities was ₹ 262.19 million. This reflected expenditure incurred towards purchase of tangible/intangible assets of ₹ 283.95 million, partially offset by sale of fixed assets of ₹ 3.11 million and interest received of ₹ 18.65 million. Our expenditure on tangible assets primarily included expenses for expansion of our warehousing capacity and our fleet size.

To maintain the growth of the business segments we operate in, infusion of capital on a regular basis for setting up of new warehouses and to augment our fleet size is required. We believe our negative cash flow from investing activities is, in part, attributable to the above reasons associated with the expansion of our business.

### *Financing Activities*

For the Fiscal 2014, net cash from financing activities was ₹ 1,105.35 million. We raised ₹150.00 million from proceeds from long term borrowings, ₹402.50 million from proceeds from short term borrowings, ₹ 211.99 million from proceeds from issue of shares, ₹483.07 million from proceeds from securities premium (net), partially offset by ₹41.00 million on repayment of long term borrowings and interest paid off ₹ 101.21 million.

In Fiscal 2013, net cash from financing activities was ₹ 926.97 million. We raised ₹ 950.00 million from proceeds from long term borrowings, partially offset by interest paid off ₹ 23.03 million.

In Fiscal 2012, net cash used in financing activities was ₹ 0.29 million. We spent ₹ 0.29 million towards interest paid.

### **Secured and Unsecured Borrowings**

As of March 31, 2014, our total secured borrowings as per our restated financial information were ₹ 1,459.00 million primarily comprising ₹1,009.00 million from banks and ₹ 450.00 million from IFC. The following table sets forth our repayment obligations under the terms of our indebtedness. There were no unsecured borrowings as of March 31, 2014.

*(in ₹ millions)*

| Particulars of indebtedness | Total outstanding amount as of March 31, 2014 | Payments due     |                   |                    |                   |
|-----------------------------|-----------------------------------------------|------------------|-------------------|--------------------|-------------------|
|                             |                                               | Less than 1 year | 1 year to 3 years | 3 years to 5 years | More than 5 years |
| Secured                     | 1,459.00                                      | 555.00           | 397.50            | 369.00             | 137.50            |
| Unsecured                   | -                                             | -                | -                 | -                  | -                 |

Many of our financing agreements include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. In particular, we must seek and obtain, prior written permission of one or more lenders to effect any scheme of amalgamation, merger or acquisition; effect changes in our capital structure; implement a new scheme of expansion or diversification; enter into any borrowing arrangement with any other bank, financial institution, company or otherwise; make any alterations in our Company's controlling ownership or any documents relating to our Company's constitution; invest in the shares or debentures of any other company or extend finance to associate companies; repay monies brought in by the promoters/directors and their friends and relatives; declare dividends; lend or advance or place deposits with any other concern; undertake guarantee obligations on behalf of any third party; create a further charge, lien or encumbrance over the assets and properties to be charged to the bank; sell,

assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank. Please see the section ‘*Financial Indebtedness*’ beginning on page 183 of this Prospectus for further details.

### **Working Capital Facilities**

As of March 31, 2014, our sanctioned working capital facilities consisted of an aggregate fund based limit of ₹ 30.00 million, an aggregate non-fund based limit of ₹ 50.00 million. Out of which, as of March 31, 2014, ₹ 2.50 million is outstanding against fund based limits and ₹ 2.50 million is outstanding against non-fund based limits

### **Contingent Liabilities**

The following table sets forth the principal components of our contingent liabilities not provided for as of March 31, 2014 as per our restated financial information:

| <i>(in ₹ millions)</i>                               |                             |
|------------------------------------------------------|-----------------------------|
| <b>Particulars</b>                                   | <b>As of March 31, 2014</b> |
| Contingent Liability not provided for in respect of: |                             |
| Sales Tax Matters                                    | 1.26                        |
| Income tax matters                                   | 0.77                        |
| Wealth Tax Matters                                   | 0.30                        |
| Bank Guarantees                                      | 7.72                        |
| <b>Total</b>                                         | <b>10.05</b>                |

Please see the section ‘*Financial Statements of our Company*’ beginning on page 180 of this Prospectus for further details.

### **Capital Expenditure**

We intend to use ₹1,282.81 million from the Net Proceeds of the Issue for funding our capital expenditure towards the proposed new warehouses. For additional information relating to our capital expenditure plans, please see the chapter entitled ‘*Objects of the Issue*’ on page 79 of this Prospectus.

For Fiscal 2012, 2013 and Fiscal 2014, the cash flow for purchase of tangible/intangible assets as per our restated cash flow statement was ₹283.95 millions, ₹1,137.86 millions and ₹1,179.89 millions respectively. The higher expenditure was primarily due to setting up of new temperature controlled warehouses at various locations and purchase of vehicles.

### **Off-Balance Sheet Arrangements**

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with any entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

### **Related Party Transactions**

For details of the related party transactions, please see the chapter entitled ‘*Financial Statements of our Company*’ on page 180. Further, we confirm that none of our debtors are related parties within the meaning of Accounting Standard AS-18 issued by the ICAI.

### **Tangible Assets**

#### ***Fiscal 2014 compared with Fiscal 2013***

The tangible assets (gross block) have increased by 52.12% from ₹2,025.98 million as at March 31, 2013 to ₹3,081.88 million as at March 31, 2014 was primarily on account of investment in setting up of new temperature controlled warehouses involving capital expenditure of ₹1,039.47 million as set out below:

| New Warehouse Locations<br>(during Fiscal 2014) | Capital<br>Expenditure- |
|-------------------------------------------------|-------------------------|
| Kompally, near Hyderabad                        | 152.42                  |
| Howra, Kolkata                                  | 244.07                  |
| Mubarakpur, near Chandigarh                     | 200.94                  |
| Surat                                           | 163.97                  |
| Visakhapatnam                                   | 23.44                   |
| Mumbai                                          | 254.63                  |
| <b>Total</b>                                    | <b>1,039.47</b>         |

#### ***Fiscal 2013 compared with Fiscal 2012***

The tangible assets (gross block) have increased by 80.44% from ₹1,122.78 million as at March 31, 2012 to ₹2,025.98 million as at March 31, 2013 was primarily on account of:

- a. investment in setting up of new temperature controlled warehouses involving capital expenditure of ₹825.90 million as set out below

| New Warehouse Locations<br>(in Fiscal 2013) | Capital Expenditure-<br>(In ₹millions) |
|---------------------------------------------|----------------------------------------|
| Chennai                                     | 62.08                                  |
| Bengaluru-Virgonagar II                     | 105.38                                 |
| Visakhapatnam                               | 100.69                                 |
| Mumbai M8 – CS-II                           | 162.11                                 |
| Mumbai M8 – CS-III                          | 162.56                                 |
| Ballabgarh (Delhi)                          | 130.39                                 |
| Pune                                        | 102.69                                 |
| <b>Total</b>                                | <b>825.90</b>                          |

- b. investment in new temperature controlled vehicles involving capital expenditure of ₹73.65 million during Fiscal 2013.

#### ***Fiscal 2012 compared with Fiscal 2011***

The tangible assets (gross block) have increased by 23.28% from ₹910.74 million as at March 31, 2011 to ₹1,122.78 million as at March 31, 2012. The increase was primarily on account of:

- a. investment in setting up of a new temperature controlled warehouse at Mumbai involving capital expenditure of ₹125.67 million; and
- b. investment in new temperature controlled vehicles involving capital expenditure of ₹49.25 million during Fiscal 2012.

### **Receivables and debtors**

#### ***Trade receivables***

The amount of trade receivables increased by 54.00% from ₹256.35 million as at March 31, 2013 to ₹394.77 million as at March 31, 2014 primarily on account of an increase in the total income by 34.93% from ₹1,136.95 million during the Fiscal 2013 to ₹1,534.07 million during the Fiscal 2014.

The amount of trade receivables increased by 106.40% from ₹124.20 million as at March 31, 2012 to ₹256.35 million as at March 31, 2013 primarily on account of an increase in the total income by 85.18% from ₹613.96 million during Fiscal 2012 to ₹1,136.95 million during Fiscal 2013

### **Realisation of debt**

As at March 31, 2014, gross trade receivables were to the extent of ₹418.19 million, out of which as on date our Company has realized to the extent of ₹162.38 million. Further our Company had also made a provision of ₹23.42 million for doubtful debts. For the balance outstanding amount of ₹232.39 million net of provision and realization as on April 30, 2014, which is yet to be realized is in respect of customers with which we have an existing business. Further, based on our experience, we believe that with regular follow up, no further provisioning is required.

As a policy, our Company provides for all debts exceeding 180 days, less subsequent collection made till the date of signing of accounts by the auditors and the receivables considered good. In the case of receivables for less than 180 days, a case by case review is done and provision, if required for any account, is made.

For the Fiscal 2014 (as per the restated financials), a provision of ₹15.28 million was made as against receivables of ₹21.36 million which was more than 180 days and the balance ₹6.08 million were considered good. Further a provision of ₹8.14 million was made as against receivables of ₹396.83 million which was less than 180 days and the balance ₹388.69 million were considered good.

### **Quantitative and Qualitative Disclosure about Market Risk**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate and foreign exchange rates of financial instruments. We are exposed to various types of market risks, in the normal course of our business. The following discussion and analysis, which constitute “forward-looking statements” that involve risk and uncertainties, summarise our exposure to different market risks.

#### **1. Unusual or Infrequent Events or Transactions**

Except as described in this Prospectus, there have been no other events or transactions that, to the knowledge of the management of our Company, may be described as “unusual” or “infrequent”.

#### **2. Significant Economic Changes**

Other than as mentioned under the heading entitled ‘*Factors Affecting Results of Our Operations*’ in this chapter, 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.

#### **3. 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 ‘*Factors Affecting our Results of Operations and Financial Condition*’ and the uncertainties described in the chapter entitled ‘*Risk Factors*’ on page 15 of this Prospectus. To our knowledge, except as described or anticipated in this Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

#### **4. Future Relationship Between Costs and Income**

Other than as described elsewhere in this Prospectus, particularly in this chapter, to the knowledge of the management of our Company, there are no known factors that might affect the future relationship between costs and revenues.

#### **5. Material Increases in Net Sales or Revenue due to Increased Sales Volume, Introduction of New Products or Services, or Increased Sales Prices**

Changes in revenues during the last three years are as explained in the part *Fiscal 2014 compared to Fiscal 2013*, *Fiscal 2013 compared to Fiscal 2012* and *Fiscal 2012 compared to Fiscal 2011* in this chapter.

## **6. Total Turnover of Each Major Industry Segment in Which the Issuer Company Operated**

We report the industry segment in which our Company operates in our restated financial information. For details, please see the chapter entitled '*Our Financial Statements of our Company*' on page 180 of this Prospectus.

## **7. Status of Any Publicly Announced New Products or Business Segment**

Except as described in this chapter and the chapters entitled '*Our Business*' and '*Risk Factors*' on pages 115 and 15, respectively, of this Prospectus, there are currently no publicly announced new products or business segments.

## **8. Seasonality of Business**

Our business is not seasonal. Our business is largely dependent on the state of economy and overall economic conditions prevailing both locally and globally. The level of our operations, income and profitability may be affected by these factors. For further details in this regard, please see the chapter entitled '*Risk Factors*' on page 15 of this Prospectus.

## **9. Supplier or Customer Concentration**

For further details in this regard, please see the chapter entitled '*Risk Factors*' on page 15 of this Prospectus.

## **10. Competitive Conditions**

For further details in this regard, please see the chapters entitled '*Risk Factors*' and '*Our Business*' on page 15 and 115 of this Prospectus.

## **11. Significant developments after March 31, 2014**

Except as stated in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this 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 twelve months.

Except as stated in this Prospectus, there is no development subsequent to March 31, 2014 that we believe is expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

## MATERIAL DEVELOPMENTS

### Recent Developments

Except as set out below, there are no material changes and commitments which are likely to affect the financial position of our Company since March 31, 2014 (i.e. last date up to which financial information is incorporated in this Prospectus).

1. We have commenced operations in the following warehouses

| Location                   | Temperature controlled pallet storage capacity |
|----------------------------|------------------------------------------------|
| Chennai – I                | 2,480                                          |
| Cuttack (near Bhubaneswar) | 3,680                                          |

2. We have entered into a lease agreement dated July 28, 2014 towards setting up another new temperature controlled warehouse at Plot No. K-12, in the Taloja Industrial Area, near Mumbai.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, (i) there are no winding up petitions, no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, (ii) there are no defaults including non-payment or overdue of statutory dues, overdues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, defaults in creation of full security as per the terms of issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company except as stated below, (iii) there has been no disciplinary action taken by SEBI or any stock exchange against our Company, Directors and Promoters (iv) there has been no material fraud committed against our Company in the last 5 years, (v) there have been no inquiries, investigations, etc. instituted under the Companies Act, 1956 and 2013 in the last 5 years against our Company, (vi) there has been no litigation against any other person whose outcome may have a material adverse effect on the position of our Company, and (vii) there has been no litigation or legal action, pending or taken, by any Ministry or Department of the Government or a statutory authority against the Promoter during the last 5 years and directions issued by such by any Ministry or Department of the Government or a statutory authority upon conclusion of such litigation, other than as disclosed below.

Neither our Company nor its Directors, have been declared as wilful defaulters by the RBI or any other Governmental authority and there have been no cases of violations of securities laws against them or any person or entity connected with them, except as mentioned below.

For details of the contingent liabilities of our Company, please see the section entitled 'Financial Statements of our Company' on page 180 of this Prospectus.

#### Cases against our Company

##### Arbitration proceedings

1. Dabon International Private Limited initiated arbitration proceedings against our Company claiming ₹2.69 million on account of cold storage warehousing services provided to them pursuant to two agreements dated January 9, 2006. Our Company filed a written statement on February 1, 2013. The proceedings are currently pending before the Sole Arbitration Bench of Justice Sharda Aggarwal (Retired) at Delhi. Both parties completed framing of the issues on August 22, 2013. The next date of hearing is yet to be posted.
2. Hatsun Agro Product Limited (**Hatsun**), in response to a demand vide notice dated October 19, 2012 for payment of outstanding dues of ₹5.07 million to our Company, issued a notice on November 6, 2012 to our Company alleging that our Company failed to fulfil its obligations under the agreement with Hatsun. Subsequently, on March 26, 2013 our Company initiated arbitration proceedings before the Sole Arbitration Bench of Mr. Ganesh Shenoy at Bengaluru. Both parties have completed framing the issues. Hatsun has filed a counter claim for ₹43.80 million in respect of the dispute. The next date of hearing is yet to be posted.

##### Tax Cases

##### Income tax

(in ₹ millions)

| Sl. No. | Appeal No. / Case No.         | Period         | Amount involved | Description                                                                                                                                                                                                                                                                                                                                                                                             |
|---------|-------------------------------|----------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Order dated December 29, 2008 | AY 2003 – 2004 | NIL             | The Assistant Commissioner, IT, by an assessment order dated December 29, 2006 held that our Company claimed a higher rate of depreciation on the motor vehicles (commercial) owned by us. The depreciation disallowed was ₹0.42 million. Further, our Company was eligible for, and received, capital subsidy from the National Horticulture Board for construction and expansion of cold storage. The |

| Sl. No. | Appeal No. / Case No. | Period         | Amount involved | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|-----------------------|----------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       |                |                 | <p>Assistant Commissioner, IT, in the assessment order dated December 29, 2006 held that in our calculation of depreciation on plant and machinery, the capital subsidy received was not deducted from the cost of our plant and machinery. Accordingly, the differential depreciation of ₹0.46 million was disallowed.</p> <p>Pursuant to the order, the Assistant Commissioner issued a notice of demand on December 29, 2008. The tax due to be paid is Nil.</p> <p>Our Company preferred an appeal to the CIT Appeals, Cochin on February 7, 2009. The matter is pending. The next date of hearing is yet to be posted.</p> |
| 2.      | August 14, 2007       | AY 2006 – 2007 | 0.34            | <p>In AY 2006 – 2007 our Company had set-off unabsorbed depreciation loss of ₹0.34 million against income from other sources. However, this was disallowed by the Income Tax Department and a demand notice dated August 14, 2007 was issued. Our Company filed an application for rectification of the assessment order on October 19, 2007 before the Assistant Commissioner of Income Tax, DAO – 1, Range – 1, Kochi. The matter is currently pending.</p>                                                                                                                                                                   |
| 3.      | February 25, 2013     | AY 2010 – 2011 | NIL             | <p>The Deputy Commissioner of Income Tax issued a demand notice to our Company on February 25, 2013 disallowing certain expenses. Our Company has replied to the notice by a letter dated April 3, 2013. Our Company also filed an appeal with the Commissioner of Income Tax (Appeals)-III, Bangalore on April 4, 2013. The matter is currently pending.</p>                                                                                                                                                                                                                                                                   |
| 4.      | October 28, 2013      | AY 2011-2012   | NIL             | <p>The Deputy Commissioner of Income Tax issued a demand notice to our Company on October 28, 2013 disallowing certain expenses. Our Company also filed an appeal with the Commissioner of Income Tax (Appeals) – III, Bangalore on November 26, 2013. We have received a refund of ₹ 98,82,397.</p>                                                                                                                                                                                                                                                                                                                            |

#### Wealth Tax

- Our Company has preferred an appeal on May 19, 2010 in the Income Tax Appellate Tribunal against an order of the CIT, Appeals, dated December 30, 2008, in respect of our income tax returns for the assessment year 2002 – 2003. The CIT held that vacant land owned by our Company is not urban land as per Wealth Tax and it is utilised for business purpose. Consequently, a wealth tax demand notice dated December 30, 2008 was issued against us requiring us to pay a sum of ₹0.30 million. Our Company filed an appeal on February 10, 2009 before the Commissioner of Income tax (Appeals) II, Ernakulam. The matter is pending. The next date of hearing is yet to be posted.

#### Sales Tax

- The Value Added Tax Officer, Cochin, on the basis of a best judgment assessment had concluded, in respect of our business that the cost of goods sold is more than the sales value for Fiscal 2011. Accordingly, a sum of ₹1.15 million was levied as penalty pursuant a demand notice dated July 30, 2012. Our Company has preferred an appeal to the Deputy Commissioner, Appeals against the said demand notice. The matter is pending. The next date of hearing is yet to be posted.
- Our Company received a notice of assessment of Value Added Tax on February 10, 2011. Our Company submitted a response to the notice vide a letter dated April 1, 2011. The Value Added Tax Officer,

Hyderabad thereafter issued a show cause notice dated March 28, 2012 alleging that the classification of goods in our annual returns from Fiscal 2007 to Fiscal 2011 was incorrect and requiring our Company to show cause why a sum of ₹0.23 million should not be levied against us. Our Company classifies the goods under the 8.5% category instead of under the 12.5% category. However, the VAT Officer alleged that roasted almonds and walnuts should be classified under 12.5% category and frozen items should be classified under the 14.5% category and that, consequently, higher VAT should have been paid. Subsequently, on May 15, 2012, our Company received a demand for penalty for payment of ₹0.06 million. The matter is pending. The next date of hearing is yet to be posted.

### **Labour cases**

1. Deshbir Singh has filed a case vide CWP No. 18790/13 against our Company under the Industrial Disputes Act, 1947, Industrial Employment (Standing Orders) Punjab Rules, 1969 and Articles 226 and 227 of the Constitution of India challenging an award dated January 10, 2013 passed by the Labour Court, Faridabad in favour of our Company. The matter has been posted for filing the reply to the writ petition on September 15, 2014.
2. Our Company has received a notice dated June 16, 2013 from the Assistant Inspector of Factories, Andhra Pradesh for failure to comply with Section 67 of the Factories Act, 1948, read with Sections 14 and 15 of the Child Labour Prohibition and Regulation Act, 1986; and Section 7-A(2) of the Factories Act, 1948, for its premises at Medak District. Our Company has filed a Criminal Complaint vide CrI. P. No. 3225/2014 before the Andhra Pradesh High Court for quashing the allegations against it. Our Company has also filed Stay Application for stay of further proceedings. The Hon'ble Court by an order dated March 24, 2014 granted interim stay and by an order dated April 9, 2014 has extended the stay till post summer vacation, 2014. The matter is currently pending.

### **Notices**

1. Our Company has on December 20, 2013 received a legal notice from Oriental Insurance Company Limited ("Oriental") for recovery of ₹2.5 million from our Company for payment made by Oriental to their clients Creamy Foods Limited towards insurance for goods damaged in transit by an accident caused on the transport vehicle of Our Company. Our Company has denied liability by its reply on April 3, 2014.

### **Cases by our Company**

#### **Criminal Cases**

1. Our Company has initiated criminal proceedings vide criminal case no. 24/2011 under section 138 of the Negotiable Instruments Act, 1881, against Subhasis Chakraborty, proprietor, Bengal Gas, before the Additional Chief Judicial Magistrate, Chandernagore, Hoogly, West Bengal for recovery of a sum of ₹0.62 million. The defendant has made payments, subsequently, and the matter may be resolved on the payment of another instalment of ₹0.075 million. The matter is pending and the next date of hearing is yet to be posted.
2. Our Company has initiated criminal proceedings vide criminal cases no. CC-1643 of 2012 and CC-233 of 2013 under section 138 of the Negotiable Instruments Act, 1881, against Kool Foods before various fora for recovery of a sum of ₹0.41 million. Kool Foods filed a memorandum of criminal petition No. 7015 of 2013 before the High Court of Judicature at Hyderabad to quash the complaint filed by our Company. The High Court of Judicature, Hyderabad issued summons to our Company thereafter for inquiry into the show cause as to why the memorandum filed by Kool Foods should not be admitted. Kool Foods has paid our Company ₹0.2 million on June 9, 2014 towards settlement of the claims under CC 233 of 2013 and CC 1643 of 2012 initiated by the Company. The matters are currently pending and a compromise petition is yet to be filed by Kool Foods.

#### **Civil Cases**

1. Our Company has filed a title suit No. 131 of 2010 on August 7, 2010 in the Court of Learned Judge (Junior Division) at Sreerampore against Modular Industrial Infrastructure Limited, in respect of the registration of the land at Kolkata where our temperature controlled warehouse is located for specific performance of the lease agreement dated May 14, 1997. The matter is pending and the next date of hearing is yet to be posted.

2. Our Company has filed a winding up petition on May 1, 2013 before High Court of Judicature at Delhi against Aravali Infrapower Limited on account of outstanding dues of ₹0.98 million. The matter is yet to be listed.

### **Notices**

1. Our Company has, on December 13, 2010 issued a legal notice to Swiss Foods Specialities (India) Private Limited, one of our customers, for recovery of debt of ₹1.01 million with interest for a default on the payment of the aforementioned amount against storage charges.
2. Our Company has issued a legal notice dated July 25, 2012 to Lighthouse Trade Links Private Limited for recovery of a sum of ₹0.27 million for a default on the payment of the aforementioned amount against storage charges.
3. Our Company has issued a legal notice dated August 28, 2012 to Oceanic Bounties for recovery of as sum of ₹1.68 million for a default on the payment of the aforementioned amount against storage charges.
4. Our Company has issued a legal notice dated September 3, 2013 to Fast Trax Foods Private Limited for recovery of a sum of ₹14.00 million for a default on the payment of the aforementioned amount against storage and transportation charges. A reply from Fast Trax Foods Private Limited is awaited.
5. Our Company has issued a legal notice dated January 17, 2014 to Mr. Ali M. Kadri for recovery of a sum of ₹0.07 million for repayment of a debt.
6. Our Company has issued a legal notice dated December 2, 2013 to Milagro Mineral Water Goa Private Limited (**Milagro**) for recovery of a sum of ₹0.19 million for moneys due for the sale of our Company's cold storage set up to Milagro. Milagro has in its reply dated January 2, 2014 raised a counter claim of ₹0.15 million against our Company.

### **Other**

Our Company had initiated criminal proceedings vide criminal case no. 667/12 under section 138 of the Negotiable Instruments Act, 1881, against Shivam Agro Products before the Judicial Magistrate First Class, Sanad for recovery of a sum of ₹0.08 million. Our Company recovered a sum of ₹0.08 million. Our Company is yet to recover an amount of ₹0.93 million. Our Company has filed a withdrawal application dated March 15, 2014 subject to reserving the right to recover the sums by way of arbitration. Our Company is yet to initiate arbitration proceedings.

### **Statutory Non Compliance**

Our Company has made an application, on June 14, 2013 before the Company Law Board, Chennai for compounding of contravention under Section 192(1) of the Companies Act for not attaching in the e-form No.23, the extract of certain disclosures made in the Explanatory Statement to the Notice calling Extra Ordinary General Meeting. We have on June 25, 2014 paid a sum of ₹75,000 as compounding fees. In addition, each of Mr. Gopinath Pillai, Mr. Prem Kishan Dass Gupta, Mr. Shabbir Hassanbhai, Mr. Saroosh Dinshaw, Mr. Kannan Ravindran Naidu and Mr. Sundar Mangadu Agarm have paid a sum of ₹ 25,000. The compounding order was received on June 25, 2014.

### **Small Scale Industries**

Our Company does not owe any small scale industries or any MSMEs any amounts exceeding ₹0.1 million which is outstanding for more than 30 days except for those small scale sector industry entities where the payment terms are in excess of 30 days. There are no disputes with such entities in relation to payments to be made to them.

### **Cases against our Directors**

#### ***Criminal complaint***

1. M/s SPC Infrastructure Pvt Ltd, through Shri Shubhakaran Chudhary filed a criminal complaint 321 of 2005 against Gateway Distriparks Limited, Mr. Gopinath Pillai, Mr. Prem Kishan Dass Gupta, Mr. Shabbir Hassanbhai, Mr. Michael Philip Pinto, Mr. Saroosh Dinshaw and Others before the Senior Magistrate at Jaipur. A notice for inquiry was received by Gateway Distriparks Limited under section 91 and 202 of the Criminal Procedure Code. Gateway Distriparks Limited filed a replied to this notice by its letter dated June 3, 2011. The magistrate is yet to take cognizance of the offence and the complaint is yet to be served on the directors. The matter is currently pending the filing of the report by the police. The amount claimed in the matter is ₹ 1.55 million. The next date of hearing is September 8, 2014.

### ***Cases filed against Mr. Prem Kishan Dass Gupta***

#### ***Criminal cases***

1. The CBI filed a charge-sheet on December 22, 1998 in the court of the Metropolitan Magistrate, New Delhi, alleging fraud and criminal conspiracy. The charge sheet alleges that one Mr. Muneshwar Singh entered into a criminal conspiracy with other accused persons including Mr. Prem Kishan Dass Gupta and in pursuance of the criminal conspiracy procured Entitlement Certificates for the import of newsprint from the office of Registrar of Newspapers for India (RNI), New Delhi on the basis of forged documents. The charge-sheet further alleges that thereafter, Mr. Muneshwar Singh along with various agents including Mr. Prem Kishan Dass Gupta, imported the newsprint at Bombay and Visakhapatnam ports and got the newsprint cleared and subsequently either disposed off the same locally in Bombay or diverted the same to different places like Calcutta, Delhi, Jaipur, Biwandi, Nagpur and Ajmer instead of transporting the newsprint to the place of publications. It is also alleged that as a result of these actions of all the accused, the Government of India was cheated to the tune of ₹37.27 million.

The specific charges against Mr. Prem Kishan Dass Gupta are yet to be determined by the Court in view of the order of the High Court of Judicature at Delhi on February 2, 2008 in Criminal Revision Petition No. 429 of 2005. The matter is currently pending. The next date of hearing is yet to be posted.

2. Kishan Singh has filed an application under section 133 of the Code of Criminal Procedure, 1973, against Mr. Prem Kishan Gupta, Chairman and Managing Director of GRFL and the Gram Panchayat, Piyala before the court of Assistant Collector Grade II (SDM) seeking an order for the removal of GRFL's construction of a concrete path which is allegedly encroaching on the public path (Panchayat passage). GRFL has filed a reply and the next date of hearing is September 3, 2014.

### **Cases filed against our Promoter**

#### ***Criminal complaint***

M/s SPC Infrastructure Pvt Ltd, through Shri Shubhakaran Chudhary filed a criminal complaint 321 of 2005 against Gateway Distriparks Limited, Mr. Gopinath Pillai, Mr. Prem Kishan Dass Gupta, Mr. Shabbir Hassanbhai, Mr. Michael Philip Pinto, Mr. Saroosh Dinshaw and Others before the Senior Magistrate at Jaipur. A notice for inquiry was received by Gateway Distriparks Limited under section 91 and 202 of the Criminal Procedure Code. Gateway Distriparks Limited filed a replied to this notice by its letter dated June 3, 2011. The magistrate is yet to take cognizance of the offence and the complaint is yet to be served on GDL. The matter has been adjourned several times for filing of the report by the Police and is currently pending. The amount claimed in the matter is ₹ 1.55 million. The next date of hearing is September 8, 2014.

#### ***Motor Vehicle cases***

Kumari Sanghpali Waghu and Samadhan Waghu, acting through their uncle filed claim MACP123 of 2013 against Gateway Distriparks Limited and others before the Motor Accident Claims Tribunal at Nanded under Section 166 of the Motor Vehicles Act for compensation for accidental death of their mother caused by an employee of GDL. Summons issued by the Assistant Superintendent, District Court, Nanded was served on GDL on October 29, 2013. The amount claimed in the matter is ₹ 1.2 million. The next date of hearing is October 18, 2014.

#### ***Civil cases***

1. Smt. Ranjana Rohidas Wagh and Others filed an application no. 170 of 2013 on August 1, 2013 for

compensation under Section 166 of the Motor Vehicles Act, 1988 against Gateway Distriparks Limited (**GDL**) and Bajaj Allianz General Insurance Co. Limited before the Motor Accident Claims Tribunal, Thane on account of death of her husband, Rohidas Damodar Wagh caused by an accident in the GDL yard. The amount claimed is ₹2.00 million. The next date of hearing is September 9, 2014.

2. Indrajit Singh and Others filed an appeal number 724 of 2014 for fresh computation of compensation before the Allahabad High Court, arising out of an order passed by the Motor Accident Claim Tribunal in M.A.C.P. No. 59 of 2012 awarding compensation of ₹2.5 million under the Motor Vehicles Act, 1988, against Gateway Distriparks Limited and Future Generali India, on account of death of a guard, Rajkumar caused by an accident. The next date of hearing is yet to be posted.

### **Arbitration proceedings**

Container Corporation of India filed two O.M.P.s bearing nos. 478 and 479 of 2008 under section 9 of the Arbitration and Conciliation Act, 1996 on September 6, 2008 before the Honourable High Court of Judicature at Delhi against GDL and Gateway Rail Freight Limited (**GRFL**) in respect of a joint venture pursuant to a Trains Agreement dated September 17, 2005 and a joint venture agreement dated March 26, 2007 which provided for operation of container trains from the Inland Container Depot and Rail Siding of GDL at Garhi Harsaru, Gurgaon. The High Court of Judicature at Delhi disposed of these O.M.P.s vide order dated September 9, 2008 and held that both GRFL and Container Corporation have the right to operate container train service from Garhi Harsaru and referring the dispute to a single member arbitration panel. Container Corporation filed a claim on December 1, 2008 for specific performance of both the joint venture agreement and the Trains Agreement, relief on land and claims for loss of profit amounting to ₹372.40 million towards loss of profit from GRFL for the period till September 9, 2010 under the agreement with GDL and based on their 49% shareholding in joint venture company, have claimed under the joint venture agreement damages for ₹648.30 million towards loss of their share in profit from joint venture company revenue. In addition, Container Corporation has also alleged that a sum of ₹15,782.30 million is due on account of loss of their share in future profits which the joint venture company would have earned out of proposed business under the joint venture agreement. GDL and GRFL filed applications on February 18, 2009 under section 16 of the Arbitration and Conciliation Act, 1996 on the arbitrability of claims but the objections were not allowed. Container Corporation of India filed a rejoinder on September 8, 2012 to the individual replies to claims filed by GDL and GRFL. In response, GDL and GRFL have filed their sur-rejoinders on February 23, 2013. GRFL has filed an application on March 23, 2013 seeking dismissal of Container Corporation's claims under the joint venture agreement. The arbitration proceedings are pending and the next dates of hearing are September 16 and 17, 2014.

GDL has also filed a civil suit bearing number 1915 of 2013 against Container Corporation of India at the High Court of Delhi, claiming an amount of ₹24.77 million with interest of 24% towards mesne profits. The next date of hearing is October 31, 2014.

### **Tax cases**

#### *Income tax*

(₹ in millions)

| Sl. No. | Appeal No. / Case No.                                                                                                                                                                    | Period                                                          | Amount involved             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Notice of demand dated March 14, 2011 (AY 2003-04), Notice of demand dated March 14, 2011 (AY 2004-05), Notice of demand dated February 17, 2011 (AY 2005-06) and Notice of demand dated | AY 2003 – 2004<br>AY 2004 – 2005<br>AY 2005 – 2006<br>AY 2006 – | ₹48.52<br>₹94.34<br>₹192.14 | The Income tax department issued a notices of demand under section 156 of the Income Tax Act requiring payment towards a) disallowance of claim for deduction under section 80 –IA (4) (i) of the Income Tax Act in respect of ₹183.59 million (AY 2003-04), ₹368.25 million (AY 2004-05), ₹705.91million (AY 2005-06) and ₹397.51million (AY 2006-07). The High Court of Judicature at Bombay granted an ad-interim stay on the proceedings by the Income Tax department on December 8, 2011. Subsequently, on July 5, 2012, the High |

| Sl. No. | Appeal No. / Case No.                                                            | Period         | Amount involved | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------|----------------------------------------------------------------------------------|----------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | February 17, 2011<br>(AY 2006-07)                                                | 2007           | ₹111.01         | Court of Judicature at Bombay of has granted a stay till the appeal filed by the Department for AY 2008 – 2009 is decided. The matter is currently pending                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 2.      | Notice of demand dated December 30, 2010 (revised order dated February 24, 2011) | AY 2008 – 2009 | ₹269.72         | <p>The Income tax department issued a notice of demand under section 156 of the Income Tax Act requiring payment towards disallowance of a claim for deduction under section 80-IA (4) (i) of the Income Tax Act including interest thereof. An order was passed against GDL on February 29, 2010 and received on December 31, 2010.</p> <p>Gateway Distriparks Limited filed appeal before the Commissioner (Appeals) on January 27, 2011. The Commissioner passed an order in favour of Gateway Distriparks Limited on January 27, 2012.</p> <p>The Income Tax department has filed an appeal no. 3654/Mum-2012 on May 23, 2012 with the tribunal against the said order. The next date of hearing is yet to be posted.</p>                                                                                     |
| 3.      | Notice of demand dated December 21, 2011                                         | AY 2009 – 2010 | ₹310.97         | <p>The Income tax department issued a notice of demand under section 156 of the Income Tax Act requiring payment towards a) disallowance of a claim for deduction under section 80-IA (4) (i) of the Income Tax Act b) disallowance of ₹3 million written off and c) disallowance interest expense of ₹7.03 million. An order was passed on December 12, 2011 by the ACIT-3(1), Mumbai against GDL. The order was received on December 29, 2011.</p> <p>An appeal was filed with the Commissioner (Appeals) on January 25, 2011. The Commissioner passed an order in favour of GDL on April 3, 2012.</p> <p>The Income Tax department has filed an appeal no. 5371/Mum-2012 before the Income Tax Appellate Tribunal on August 24, 2012 against the said order. The next date of hearing is yet to be posted.</p> |
| 4.      | Notice of demand dated March 18, 2011                                            | AY 2005 – 2006 | ₹2.08           | The Income tax department issued a notice of default under section 201 (1) and 206 (7) of the Income Tax Act in respect of TDS collected but not paid by GDL. The matter is currently pending.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| Sl. No. | Appeal No. / Case No.                                                                                   | Period         | Amount involved | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------|---------------------------------------------------------------------------------------------------------|----------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.      | Notice of demand dated March 26, 2011                                                                   | AY 2006 – 2007 | ₹3.4            | GDL has filed an appeal against the notice of demand under section 156 of the Income Tax Act on April 27, 2011 in respect of the notice received for short payment / deduction of TDS (including interest). GDL has claimed that although the TDS has been rightfully paid, the TAN number was erroneously mentioned on the form. GDL paid an amount of ₹0.01 (including interest of ₹0.005 million and ₹0.02 million on April 27, 2011. The Officer of the Commissioner of Income-Tax (Appeals) – 20, Mumbai passed an order on November 27, 2013 allowing part of the appeal and directing the assessing officer to re-verify whether proper TDS has been made or not, as regards the rest of the demand. The matter is currently pending.                                                                                                                                                                                                                                                |
| 6.      | Notice of demand dated March 6, 2011                                                                    | AY 2009 – 2010 | ₹1.35           | A notice of demand was issued for difference of TDS paid and collected. GDL has filed an appeal against the notice of demand under section 156 of the Income Tax Act on April 23, 2011. The appeal has been allowed on March 24, 2014 and the claim is subject to fresh computation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 7.      | Notice of demand dated March 1, 2013 and appeal on September 20, 2013 against Order dated May 27, 2013. | AY 2010 – 2011 | ₹178.8          | <p>The Deputy Commissioner of Income Tax (OSD) -3(1) issued a notice of demand under section 156 of the Income Tax Act requiring payment towards a) disallowance of claim for deduction under section 80 –IA (4) (i) of the Income Tax Act in respect of ₹523.16 million; b) disallowance under section 14A of the Income Tax Act in respect of ₹19.51 million; c) short credit of ₹2.78 million TDS and d) levy of interest of ₹9.65 under section 220(2) of the Income Tax Act.</p> <p>An appeal was filed with the Commissioner (Appeals) on March 22, 2013 contesting the disallowance under section 80-IA, disallowance under section 14A, the addition of ₹19.51 in book profit while computing liability under section 115JB of the Income Tax Act, the short credit of TDS of ₹2.78 million and the interest levied. Pursuant to directions issued by the Deputy Commissioner of Income Tax Circle 3 (1) on March 25, 2013, Mumbai, GDL deposited ₹40 million pending an order.</p> |

| Sl. No. | Appeal No. / Case No.                                                                                    | Period         | Amount involved | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------|----------------------------------------------------------------------------------------------------------|----------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                          |                |                 | <p>On May 27, 2013, the Commissioner of Income Tax (Appeals) – 7, Mumbai passed an Order in favour of GDL.</p> <p>Subsequently, the Deputy Commissioner of Income Tax (OSD) -3(1) has filed an appeal 5746/ Mum – 2013 before the Income Tax Appellate Tribunal on September 20, 2013. The first date of hearing is on February 3, 2015. GDL is yet to be served notice of the appeal.</p>                                                                                                          |
| 8.      | Notice of demand dated March 25, 2014 and appeal on September 20, 2013 against Order dated May 27, 2013. | AY 2011 – 2012 | ₹193            | <p>The Additional Commissioner of Income Tax (RG) -3(1), Mumbai issued a notice of demand under section 156 of the Income Tax Act requiring payment of ₹193 million by GDL.</p> <p>An appeal has been filed with the Commissioner (Appeals) on April 23, 2014 contesting the disallowance under section 80-IA, and the disallowance under section 14A of the Income Tax Act. Pending an order, GDL has agreed to deposit ₹35 million in installments of which ₹18.4 million has been deposited.</p> |

#### *Central excise*

1. The Commissioner, Central Excise, Customs and Service Tax, Raigad issued a show cause-cum-demand notice dated May 14, 2013 against GDL as the O&M of M/s Punjab State Container & Warehousing Corporation Limited in respect of CENVAT credit of ₹29.6 million allegedly wrongfully availed for export cargo handling services for assessment years 2008 – 2009 and 2009 – 2010. The notice was received by GDL on May 20, 2013. The next date of hearing is yet to be posted.
2. The Commissioner, Central Excise, Customs and Service Tax, Raigad issued a show cause-cum-demand notice dated October 18, 2012 against GDL as the O&M of M/s Punjab State Container & Warehousing Corporation Limited in respect of CENVAT credit of ₹5.8 million allegedly wrongfully availed for export cargo handling services for the assessment period April 2008 to September 2008. The notice was received by GDL on December 12, 2012. GDL filed a reply on May 10, 2013 and an additional reply dated November 11, 2013 denying the allegations made and providing explanations to the Commissioner, Central Excise, Customs and Service Tax, Raigad. The Commissioner, Central Excise, Customs and Service Tax, Raigad heard the representations made by GDL on October 29, 2013 and passed an order no. 181/MAK (181) COMMR/ RGD/ 2013-14 on February 25, 2014 rejecting GDL's contentions. The order was communicated to GDL on March 19, 2014. GDL has preferred an appeal against the order dated February 25, 2014 before the Customs Excise and Service Tax Appellate Tribunal, West Zone Bench on June 18, 2014.
3. The Additional Commissioner, Central Excise, Raigad, further to letters dated August 21, 2012, November 5, 2012, November 19, 2012 and January 29, 2013 submitted by GDL for providing information sought by the Additional Commissioner from time to time, issued a show cause-cum-demand notice dated April 8, 2013 against GDL for payment of ₹3.2 million for the assessment year 2011 – 2012 in respect of service tax on goods transport agency service provided by GDL to and from the port to the CFS at JNPT and Gurgaon. The matter is pending for hearing.

#### *Sales tax*

The Deputy Commissioner of Sales Tax issued a demand notice on March 30, 2013 for ₹2.33 million for the assessment year 2005 – 2006. GDL filed an application for grant of stay against the order. Further, on June 30, 2012, GDL preferred an appeal before the Joint Commissioner of Sales (Appeals) Raigad Division, Navi Mumbai. The next date of hearing is yet to be posted.

### Consumer cases

- Several claims have been made against GDL in respect of goods damages / destroyed in a fire accident that broke out on the night of January 31, 2010 in the Container Freight Station owned by Punjab State Container and Warehousing Corporation Limited, a Government of Punjab undertaking, and operated by GDL pursuant to an Operation and Management Agreement dated January 12, 2007 with a tenure of 15 years. The details of the claims are as follows:

| Sr. No. | Parties                                                                                                                                                                                                    | Forum and Case No.                                                                                                             | Claim against GDL                                                                                       | Particulars                                                                                                | Status                                                                                                                                                                                                                                                                                                    |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | M/s Shah Associates vs. M/s Punjab State Container and Warehousing Corporation Limited & Commissioner of Customs (Imports) and Gateway Distriparks Limited                                                 | State Consumer Disputes Redressal Commission at Mumbai.<br><br>Consumer Complaint No. Cc/12/38 of 2012 dated February 21, 2012 | ₹2.56 million for loss with interest at 24% p.a.<br><br>Further, ₹0.20 million for agony and harassment | Bearings imported from M/s Timken Corporation, Ohio, USA<br><br>Goods were damaged before clearing customs | A miscellaneous application was filed on September 5, 2012 by Punjab State Container and Warehousing Corporation Limited to delete its name from the parties and direct impleadment / addition of GDL as a defendant. The matter is currently pending. The next date of hearing is on September 17, 2014. |
| 2.      | Ping Property & Casualty Insurance Co. of China Limited & Ors. vs. Gateway Distriparks Limited and Punjab State Container and Warehousing Corporation Limited and Punjab Conware Container Freight Station | Court of Civil Judges (Senior Division) at Panvel<br><br>Special Suit No. 240 of 2011 dated January 31, 2011                   | USD 1.23 million with interest at 21% p.a.                                                              | Claim for goods destroyed due to fire                                                                      | It is a plaint is submitted and the case is currently pending. The next date of hearing is September 25, 2014.                                                                                                                                                                                            |
| 3.      | M/s Aska Equipments Limited vs. DSV Air & Sea Private Limited and DSV Ocean Transport A/S, Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited                      | State Consumer Disputes Redressal Commission at New Delhi<br>Complaint Case No. 83 of 2010                                     | ₹6.70 million with interest at 18% p.a.                                                                 | 111 vessels (11 vessels of 50 liters and 100 vessels of 10 liters) from HNE Technologies AG, Germany       | GDL filed an intervention application to add its name as a party Opponent to the suit. The matter is currently pending. The next date of hearing is on October 13, 2014.                                                                                                                                  |
| 4.      | Bharat Heavy Electricals Limited vs. New India Assurance Company                                                                                                                                           | Principal District Judge, Medak,                                                                                               | ₹22.06 million                                                                                          | Claim for destruction of 13 pallets of journal                                                             | The suit was filed on January 23, 2012.                                                                                                                                                                                                                                                                   |

| Sr. No. | Parties                                                                                                                                | Forum and Case No.                                                                           | Claim against GDL                                                                                                                         | Particulars                                                                                                                                      | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | Limited, Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited                                    | Sangareddy O. S. No. 5 of 2012                                                               |                                                                                                                                           | bearing upper from M/s Timken Corporation, USA on account of fire.                                                                               | Summons was issued against Punjab State Container and Warehousing Corporation Limited on November 23, 2012. An ex parte order was passed on February 21, 2012. Punjab State Container and Warehousing Corporation Limited filed an application for setting aside ex-party decree dated February, 21, 2012, and another application for deleting the name from the suit. GDL filed the Intervention Application subsequently on March 26, 2012 to be made party to the suit. The matter is currently pending. The next date of hearing is September 8, 2014. |
| 5.      | Bajaj Auto Limited & Bajaj Allianz General Insurance Co. Limited vs. Conware Container Freight Station and Gateway Distriparks Limited | National Consumer Disputes Redressal Commission at Delhi<br>Original Complaint No. 8 of 2012 | ₹34.40 million with interest at 18% p.a., costs of ₹0.05 million and damages of ₹0.03                                                     | Claim for damage to the consignment                                                                                                              | GDL filed an application on April 30, 2013 to be added as an opponent to the suit. The matter is currently pending. The next date of hearing is on March 13, 2015.                                                                                                                                                                                                                                                                                                                                                                                          |
| 6.      | M/s Chokhawala Distributors vs. M/s Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited         | Consumer Disputes Redressal Forum, Raigad, Alibaug<br>Complaint No. 6 of 2012                | ₹1.08 million for loss suffered along with interest thereon at 15% p.a. from January 31, 2010<br>₹0.15 million as compensation for mental | Claim for loss due to damage of 11 pallets of malleable iron in 378 cartons being total of 10,707 kilos from M/s Jinan Meide Casting Co. Limited | An intervention application was filed by GDL on June 29, 2012 to be made a party to the suit. The matter is currently pending. The next date of hearing is September 23, 2014.                                                                                                                                                                                                                                                                                                                                                                              |

| Sr. No. | Parties                                                                                                                                                          | Forum and Case No.                                                                       | Claim against GDL                                                                                                                                                                                                                    | Particulars                                                                                                                                                                                                                                                    | Status                                                                                                                               |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                                                                  |                                                                                          | torture and physical harassment and loss suffered In custom duty along with interest at 15% p.a. from January 31, 2010<br><br>₹0.05 million towards costs of complaint along with interest thereon at 15% p.a. from January 31, 2010 |                                                                                                                                                                                                                                                                |                                                                                                                                      |
| 7.      | IPCA Laboratories Limited and Oriental Insurance Company Limited vs. Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited  | Court of Civil Judge, Senior Division at Panvel<br><br>Special Civil Suit No. 10 of 2013 | ₹3.08 million with interest at 18% p.a. from date of filing until judgment and with further interest at 12% p.a. from judgment till realisation                                                                                      | Claim for destruction of 3 (three) drums of novoldiamine.<br><br>Oriental Insurance Company had settled the claim of IPCA Laboratories Limited. The suit was filed to recover the claim amount from Punjab State Container and Warehousing Corporation and GDL | The suit was filed on November 27, 2012. The matter is currently pending. The next date of hearing is September 29, 2014.            |
| 8.      | Reprographics Private Limited and New India Assurance Co. Limited vs. Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited | Court of Civil Judge Senior Division Panvel at Panvel.<br><br>Suit no.24 of 2013         | ₹1.43 million with interest at 18% p.a from the date of filing the suit until judgment and further interest at 12% p.a. from judgment until realisation                                                                              | Claim for destruction of Photo Polymer Plates from Santos Brazil.                                                                                                                                                                                              | The suit was filed on January 10, 2013. The matter is pending. The next date of hearing is September 30, 2014.                       |
| 9.      | Rajpal Enterprises and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station                                                        | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No.     | ₹1.97 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.20                                                                                                             | Claim for destruction of 260 cartons of Compatible Laser Cartridge parts imported from Hong Kong, Ohio, USA                                                                                                                                                    | Punjab State Container and Warehousing Corporation Limited filed a miscellaneous application on November 5, 2012 for deletion of its |

| Sr. No. | Parties                                                                                                                 | Forum and Case No.                                                                               | Claim against GDL                                                                                                                 | Particulars                                                                                       | Status                                                                                                                                                               |
|---------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                         | 179 of 2011<br><br>Consumer Complaint No. CC/11/179                                              |                                                                                                                                   |                                                                                                   | name and addition of GDL as an opponent to the suit. The matter is currently pending. The next date of hearing is November 17, 2014.                                 |
| 10.     | Glenmark Pharmaceuticals Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 180 of 2011 | ₹ 4.60 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.30 million | Claim for destruction of 2833 cartons of medicines to be exported to Nigeria and Colombo.         | GDL filed an application on November 5, 2012 to be added as an opponent to the suit. The matter is currently pending. The next date of hearing is November 17, 2014. |
| 11.     | Cipla Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station                    | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 181 of 2011 | ₹3.13 with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.30 million          | Claim for destruction of 419 cartons of medicines.                                                | GDL filed an application to be added as an opponent to the suit. The matter is currently pending. The next date of hearing is November 17, 2014.                     |
| 12.     | Global Influence and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station                 | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 182 of 2011 | ₹ 9.52 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.20         | Claim for destruction of 2807 cartons of Ayurvedic Proprietary Medicine to be exported to Moscow. | The matter is currently pending. The next date of hearing is November 17, 2014.                                                                                      |
| 13.     | M.J. Biopharma Private Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station   | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 183 of 2011 | ₹2.79 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.30 million  | Claim for destruction of 31 pallets of Pharmaceutical Formulations.                               | GDL filed an application to be added to be added as an opponent to the suit. The matter is currently pending. The next date of hearing is November 17, 2014.         |
| 14.     | Torrent Pharmaceuticals Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station  | State Consumer Disputes Redressal Commission at Mumbai                                           | ₹1.40 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05                                       | Claim for destruction of 79 cartons of medicines.                                                 | GDL filed an application to be added as an opponent to the suit which was rejected. GDL has                                                                          |

| Sr. No. | Parties                                                                                                                       | Forum and Case No.                                                                              | Claim against GDL                                                                                                                | Particulars                                                                                                      | Status                                                                                                                                                                                                                                                         |
|---------|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                               | Original Complaint No. 12 of 2012                                                               | million and damages of ₹0.30 million                                                                                             |                                                                                                                  | filed a revision application before the National Commission. The matter is currently pending. The next date of hearing is on October 10, 2014.                                                                                                                 |
| 15.     | Shrimankar Gas Car Services P. Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 13 of 2012 | ₹1.88 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.20 million | Claim for destruction of 3 (three) pallets of STC CNG kit parts of Compatible Laser Cartridges parts from Italy. | GDL filed an application to be added as an opponent to the suit which was rejected. GDL has filed a revision application before the National Commission. The matter is currently pending. The next date of hearing is on October 10, 2014.                     |
| 16.     | Chandnee Hi Fashion Private Limited and Bajaj Allianz General Insurance Co. Limited vs. Conware, Container Freight Station    | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 14 of 2012 | ₹ 3.95 million with interest at 18% p.a. from date of loss until realization and costs at ₹0.30 million                          | Claim for destruction of 100 cartons of Brasil Origin Mulberry Dupin Silk from Santos, Brazil.                   | GDL filed an application to be added as an opponent to the suit which was rejected. GDL has filed a revision application before the National Commission. The matter is currently pending. The next date of hearing is on October 10, 2014.                     |
| 17.     | Kraft Sales & Services (I) Limited and The New India Assurance Company Limited vs. Conware, Container Freight Station         | State Consumer Disputes Redressal Commission at Mumbai<br><br>Original Complaint No. 23 of 2012 | ₹1.45 million with interest at 18% p.a. from date of loss until realization, costs of ₹0.05 million and damages of ₹0.50 million | Claim for destruction of 141 cartons of Electric Power Tools imported from China.                                | Punjab State Container and Warehousing Limited filed a miscellaneous application for deletion of its name and to add Gateway Distriparks Limited as an opponent to the suit. The matter is currently pending. The next date of hearing is on October 10, 2014. |

| Sr. No. | Parties                                                                                                                                                                               | Forum and Case No.                                                                         | Claim against GDL                                                                                                                                                                                                                                                    | Particulars                                                                             | Status                                                                                                                                                             |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 18.     | M/s Longwell Electronics India Private Limited vs. Punjab State Container and Warehousing Corporation Limited, Container Freight Station and M/s Teamglobal Logistics Private Limited | Court of Civil Judge (Senior Division) at Panvel<br><br>Special Civil Suit No. 506 of 2012 | ₹1.26 million (being aggregate principal amount of ₹0.42 million with interest at 18% p.a. from the date of demand till filing the suit) with interest at 12% p.a. from date of filing of the suit until decree, and 18% p.a. from date of decree until realization. | Claim for destruction of 15,000 pieces of AC Power Cords in 300 cartons from Hong Kong. | GDL filed an application on August 1, 2013 to be added as an opponent to the suit. The matter is currently pending. The next date of hearing is September 6, 2014. |
| 19.     | Reliance Industries Limited & Oriental Insurance Company Limited vs. Punjab State Container and Warehousing Corporation Limited and Gateway Distriparks Limited                       | Court of Civil Judge (Senior Division) at Panvel<br><br>Special Civil Suit No. 9 of 2013   | ₹2.27 million with interest at 18% p.a. from date of filing of the suit until judgment, and 12% p.a. from date of judgment until realization                                                                                                                         | Claim for destruction of 10 pallets of Therminol 66 heat transfer oil.                  | The matter is currently pending. The next date of hearing is September 8, 2014.                                                                                    |
| 20.     | Reliance Industries Limited & Oriental Insurance Company Limited vs. Punjab State Container & Warehousing Corporation Limited and Gateway Distriparks Limited                         | Court of Civil Judge (Senior Division) at Panvel<br><br>Special Civil Suit No. 11 of 2013  | ₹1.67 million with interest at 18% p.a. from date of filing of the suit until judgment, and 12% p.a. from date of judgment until realization.                                                                                                                        | Claim for destruction of 5 pallets of synthetic lubricants                              | The matter is currently pending. The next date of hearing is September 8, 2014.                                                                                    |
| 21.     | Falcon Electrotech Pvt Ltd and New India Assurance Co Ltd                                                                                                                             | Court of Civil Judge (Senior Division) Panvel<br><br>Special Suit No. 22 of 2013           | ₹4.39 million along with interest at 18% p.a. from date of filing of the suit until judgment, and 12% p.a. from date of judgment until realization.                                                                                                                  | Claim for destruction of 250 cartons color digital                                      | The matter is currently pending. The next date of hearing is September 30, 2014.                                                                                   |

2. Prem Sager Gupta, the proprietor of Nishant Impex, Lucknow has filed a case no. 710 of 2014 against GDL before the State Consumer Dispute Redressal Commission at Lucknow seeking directions be issued to GDL to (a) provide the relevant papers of the cargo for which the bid placed by Nishant Impex had been accepted and pay Rs.1,050,000 as compensation for physical pain and mental agony, or (b) in the event of failure to satisfy (a) above, GDL be directed to pay 4,550,000 with 15% interest. The Commission issued a show cause notice on February 17, 2014. The first date of hearing is on November 25, 2014.

### ***Labour cases***

1. Prasad Tulsiram Manjrekar filed a Revision Application (ULP) No. 20 of 2012 in the Complaint (ULP) No. 90 of 2009 against Punjab State Container and Warehousing Corporation Limited, GDL and others. The applicant had filed the initial complaint before the Labour Court at Thane against the respondents for unfair labour practices. The Labour Court passed an order on January 18, 2012 against the applicant. The Applicant filed the Revision Application before the Industrial Court at Thane to set aside the order dated January 18, 2012. The matter is currently pending. The next date of hearing is yet to be posted.

### **Cases involving our Group Companies**

#### **1. Gateway Distriparks (South) Private Limited (GDSPL)**

#### **Cases filed against Gateway Distriparks (South) Private Limited**

### ***Civil cases***

1. Mr. Arumugam has filed a case M.C.O.P. No. 229 of 2009 before the Motor Accident Claims Tribunal, Ponneri against GDSPL claiming ₹0.25 million in respect of an accidental injury suffered by him on September 26, 2008 in its Container Freight Station. The matter is currently pending.
2. Nandi Marketing has filed a case No. 12 of 2013 before the High Court of Judicature at Chennai against the Deputy Commissioner of Customs (Group – 6) and GDSPL claiming ₹3.05 million in respect of waiver of ground rent de-stuffing Cargo in its Container Freight Station. The matter is currently pending.
3. The Additional Commissioner of Customs, Group-5, Seaport imposed a penalty ₹0.40 million on GDSPL for allowing Orrijay Process the 32 printing mini-offset machines seized by DRI and deposited with the Container Freight Station of GDSPL. The CESTAT (Appeals) has by an order dated May 16, 2013 upheld the order dated March 31, 2013 of the Additional Commissioner of Customs, Group-5 and Seaport. GDSPL has preferred an appeal C No. 725 to 728 of 2012 before the CESTAT on August 21, 2013. The matter is currently pending.
4. Liberty Commodities Limited has filed a case no. 1025 of 2005 against GDSPL for recovery of ₹0.92 million that was retained by GDSPL out of the auction sale proceeds of the consignment for which both Liberty Commodities Limited and the Commissioner of Customs made a claim. GDSPL has made a separate application to the High Court for directions for payment of the retained amount. The matter is currently pending. The next date of hearing is yet to be posted.

### ***Labour Cases***

1. Deputy Commissioner of Labour II Chennai issued a Show Cause notice C1/4088/12 dated May 6, 2013 against GDSPL for non-compliance of section 12(3) of the Industrial Disputes Act by refusing to give work to contract workmen. GDSPL has replied to the Deputy Commissioner of Labour II, Chennai on May 20, 2013 referring to an earlier letter dated May 2, 2013 which set out details in respect of the contract workmen. The matter is currently pending. The next date of hearing is yet to be posted.
2. The Deputy Commissioner of Labour II Chennai has issued a Notice E.C.56/2014 dated March 27, 2014 for compensation claimed by Mrs. Lakshmi under Section 10 of the Workman's Compensation Act, 1923 for a claim of ₹1 million for the death of her husband, Ballu while in the employment of GDSPL. The matter is currently pending and next date of hearing is September 2, 2014.

### **Cases filed by GDSPL**

### ***Criminal Cases***

1. GDSPL has filed two separate cases against its customers' CC no. 130 against the proprietor, Uma Maheshwara Rao, Evershine Shipping Services and CC no. 131 against Orient Transport Company for dishonour of cheques under the Negotiable Instruments Act, 1881 for an aggregate sum of ₹6.68 million. The matters are currently pending.
2. **Gateway East India Private Limited (GEIPL)**

### **Cases filed against Gateway East India Private Limited**

### ***Civil Cases***

1. Mr. Appalla Bhaskara Rao has filed a case MV OP 1516 of 2012 before the Motor Accidents Claim Tribunal at Vishakapatnam against GEIPL on September 5, 2012 claiming ₹2.50 million as compensation and interest at 10% p.a. in respect of a motor accident on November 23, 2011 at GEIPL's Container Freight Station yard. The next date of hearing is September 2, 2014.

### ***Tax cases***

1. The Additional Commissioner of CE, Customs and Sales Tax, Vishakapatnam issued a demand notice dated September 14, 2012 against GEIPL for payment of service tax in respect of transportation expenditure incurred by GEIPL for assessment year 2007 – 2008 and 2010 – 2011 aggregating ₹2.47 million. GEIPL has alleged that GTA service tax has been paid to Srivalli Shipping & Transport on their bill. GEIPL has filed an appeal with the Commissioner of Customs (appeals). The matter has been remanded to the lower authority for re-verification of the service tax paid and is currently pending with the Additional Commissioner of Customs & Central Excise. The Additional Commissioner of Customs & Central Excise has filed an appeal against this order of the Commissioner of Customs (appeals) with the Service Tax Tribunal at Bangalore on grounds that the Commissioner of Customs (appeals) does not have the right to refer cases to the Additional Commissioner and that a final decision had to be taken by the Commissioner of Customs (appeals). The matter is currently pending before the Service Tax Tribunal at Bangalore.
2. The Officer of the Commissioner of Customs, Vishakapatnam has issued a demand notice against GEIPL for ₹5.42 million for the period from February 1, 2010 to June 30, 2011, ₹11.54 million for the period from February 2010 to September 2012 and ₹2.74 million for the period from July 2012 to September 2012 in respect of cost recovery charges. On October 22, 2013, the Commissioner of Customs issued another letter directing GEIPL to pay total consolidated amount of cost recovery of ₹18.63 million for the period from February, 2010 to December, 2013 within seven days. The Commissioner of Customs issued a further letter dated July 7, 2014 raising a total demand of ₹23.27 million for the period from February, 2010 to September, 2014. The matter is pending before the Director, Customs AD IV Section.
3. The Additional Commissioner of Income tax, Range – 3, Visakhapatnam issued an assessment order and a notice for demand dated February 11, 2014 claiming ₹2.6 million against GEIPL disallowing the deduction under section 80 (IA) of Income tax Act, 1961 claimed by GEIPL for the assessment year 2011 – 2012. GEIPL has filed an appeal against the said order on March 11, 2014. The matter is currently pending.

### **3. Gateway Rail Freight Limited (GRFL)**

#### **Cases filed against GRFL**

### ***Criminal Cases***

1. Kishan Singh has filed an application under section 133 of the Code of Criminal Procedure, 1973, against Mr. Prem Kishan Gupta, Chairman and Managing Director of GRFL and the Gram Panchayat, Piyala before the court of Assistant Collector Grade II (SDM) seeking an order for the removal of GRFL's construction of a concrete path which is allegedly encroaching on the public path (Panchayat passage). GRFL has filed a reply and the next date of hearing is September 3, 2014.

### ***Civil Cases***

1. IFFCO Tokio filed two cases no. FAO 4462 of 2011 and FAO 2196 of 2012 before the Punjab and Haryana High Court against Sudhir Kumar and Santosh respectively and under the Motor Vehicles Act, 1988 on March 1, 2012. The appeal FAO 4462 of 2011 has been filed against the decision of the Motor Accidents Claims Tribunal, Faridabad on May 22, 2011. A claim of ₹0.36 million and ₹0.50 million respectively has been made against IFFCO Tokio and GRFL jointly and severally in respect of accidents involving vehicles owned by GRFL. Notice has been served and the matters are pending admission. The next dates of hearing for FAO 4462 of 2011 and Appeal FAO 2196 of 2012 are yet to be posted.
2. Mrs. Santosh has filed a case MACP 15 of 2012 before the MACT, Jhajjir against Bharpoor and GRFL under the Motor Vehicles Act, 1988 claiming ₹1.50 million against GRFL in respect of an accident involving a vehicle owned by GRFL. Written statements have been filed. The matter is currently pending.

The next date of hearing is on September 18, 2014.

3. Monika Dheengra has filed a case MAC 1389 of 2010 before the MACT, Meerut against GRFL under the Motor Vehicles Act, 1988 claiming ₹2.95 million against GRFL in respect of an accident involving a vehicle owned by GRFL. Written statements have been filed. The matter is currently pending for framing of issues. The next date of hearing is on September 4, 2014.
4. Lakshika Dheengra has filed a case MAC 1461 of 2011 before the MACT, Meerut against GRFL under the Motor Vehicles Act, 1988 claiming ₹1.20 million against GRFL in respect of an accident involving a vehicle owned by GRFL. Written statements have been filed. The matter is currently pending for framing of issues. The next date of hearing is on September 4, 2014.
5. Dev Dheengra has filed a case MAC 1421 of 2011 before the MACT, Meerut against GRFL under the Motor Vehicles Act, 1988 claiming ₹1.65 million against GRFL in respect of an accident involving a vehicle owned by GRFL. Written statements have been filed. The matter is currently pending for framing of issues. The next date of hearing is on September 4, 2014.
6. Raman Kumar has filed a case no. 1007 of 2008 on December 2, 2008 before the Court of Civil Judge (Senior Division), Ludhiana against GRFL & Sukhwinder Singh for possession of 2 marlas sarsai of land in Shanewal Khurd Tehsil and District Ludhiana pursuant to an agreement to sell dated August 4, 2008 with Sukhwinder Singh. GRFL has filed a written statement contesting the claim on basis of an agreement to sell dated April 17, 2008 being entered into between Sukhwinder Singh in favour of GRFL. The next date of hearing is September 5, 2014.
7. Swaran Singh has filed a suit case no. 211 of 2008 on August 22, 2008 before the Court of Civil Judge (Senior Division), Ludhiana for perpetual injunction restraining GRFL from raising any construction or changing the nature of land admeasuring 2 acres 4 kanal 1 sahi and ¼ marla alleging that the property belongs to Gulwant Singh. GRFL has claimed ownership on the basis of the sale deed dated June 1, 2007. The matter is currently pending and the next date of hearing is September 9, 2014.
8. Hyundai Merchant Marine India Private Limited has filed a suit Civil Suit No. 333 of 2011 on April 19, 2011 before the Court of Civil Judge (Senior Division), Gurgaon against Alpha UM Autocomp Limited, Total Transport Systems Private Limited and GRFL for recovery of detention charges & container damage charges. The amount of claim is ₹0.20 million. The next date of hearing is September 24, 2014.
9. Lallu Ram as filed a suit before the MACT, Ludhiana against GRFL under the Motor Vehicles Act, 1988 claiming ₹ 5 million against GRFL in respect of an accident involving a vehicle owned by GRFL. The next date of hearing is September 9, 2014.
10. Sanjay Lodha has filed an MACT case number 228 of 2014 against Chuna Ram and Others claiming ₹1,012,603 as compensation, and impleaded GRFL as a necessary party in respect of an accident involving a vehicle owned by GRFL. Written statements have been filed. The matter is currently pending for framing of issues. The next date of hearing is September 22, 2014.
11. Gram Panchayat Village, Piyala has filed a civil application under Section 7 of the Punjab Village Common Lands (Regulation) Act, 1961 in the Court of Assistant Collector Grade II (SDM) seeking an order to eject GRFL from the common land (Panchayat passage). The counsel for the defendants has filed a Vakalatnama with the Honourable Court. The reply is yet to be filed and the next date of hearing is to be held on September 3, 2014.
12. Kishan Singh has filed a suit for declaration with permanent and mandatory injunction against Mr. Prem Kishan Gupta, GRFL, the Gram Panchayat, Piyala and others before the Civil Judge (Senior Division), District Court, Sector -12 Faridabad alleging encroachment of a common passage in ICD Piyala, Faridabad and seeking an order against GRFL to remove its construction of a concrete path and an injunction against GRFL to keep the common passage clear from any hindrance. GRFL has filed an application under order 7 rule 11 of the Civil Procedure Code for rejection of the plaint. The next date of hearing is September 16, 2014.

#### ***Arbitration proceedings***

Container Corporation of India filed two O.M.P.s bearing nos. 478 and 479 of 2008 under section 9 of the Arbitration and Conciliation Act, 1996 on September 6, 2008 before the High Court of Judicature at Delhi GDL and Gateway Rail Freight Limited (**GRFL**). For details of this matter, please see the paragraph above under the sub-heading '*Arbitration proceedings*' under the heading '*Cases filed against our Promoter*' of this chapter.

### **Cases filed by GRFL**

#### ***Criminal cases***

1. GRFL has initiated criminal proceedings on August 16, 2013 vide criminal case no. CC No 1333/2013 under section 138 of the Negotiable Instruments Act, 1881 against Global Air and Marine Services and its partners, Mr. Sanjay Sharma before the Chief Metropolitan Magistrate, Saket, New Delhi, for recovery of a sum of ₹0.64 million. The matter is pending and the next date of hearing is September 15, 2014.
2. GRFL has initiated criminal proceedings on October 24, 2013 vide criminal case no. CC No 6197/2013 under section 138 of the Negotiable Instruments Act, 1881 against Schaefer International Private Limited, for recovery of a sum of ₹0.69 million. The matter is pending and the next date of hearing is December 15, 2014.
3. GRFL has initiated criminal proceedings on November 13, 2013 vide Criminal Case No CC No 849/2013 under section 138 of the Negotiable Instrument Act, 1881 against Sarag International and its partners, Mr. Shreedhar and Mr. Vijay for recovery of a sum of ₹0.34 million. The pre summoning evidence was taken and summons has been issued to Sarag International and Mr. Shreedhar. The next date of hearing is September 19, 2014.
4. GRFL has initiated criminal proceedings vide criminal case no. CC No 2377/2008 under section 138 of the Negotiable Instruments Act, 1881 against J S Pick and Move Transport Private Ltd, for recovery of a sum of ₹0.91 million. The accused has made part payment. The matter is pending settlement and the next date of hearing is September 12, 2014.

#### ***Civil cases***

1. GRFL has filed a case No.CS1135 of 2011 on May 14, 2011 before the Court of Civil Judge (Senior Division), Ludhiana for seeking perpetual injunction against RNK Trading Company Private Limited and others from alienating by way of sale, mortgage or gift land admeasuring 80 kanal 16 marlas and for raising any sort of construction of permanent nature and to change the land use of area. GRFL also claims ownership of 7 kalans 8 marlas. The next date of hearing for evidence is October 10, 2014.
2. GRFL has filed a civil suit no. 2744 of 2011 on September 23, 2011 before the High Court of Judicature at Delhi for recovery of ₹22.6 million (including ₹17.60 million which was already due and ₹0.50 million borrowed in the form of unsecured loans) along with an interest of 18% p.a from Max Logistics Private Limited. This suit is in relation to the agreement dated September 25, 2007 between the parties for operations, management & capital structure of Gateway Max Logistics Distriparks Private Limited pursuant to which Max Logistics Private Limited borrowed ₹2.50 million from GRFL towards working capital and further, ₹0.50 million as an unsecured loan with simple interest at 8% p.a. The next date of hearing is November 8, 2014.
3. GRFL has also filed a company petition No. 5 of 2012 before the Rajasthan High Court at Jodhpur on February 8, 2012 for winding up on Max Logistics Private Limited in respect of the monies due to GRFL. GRFL has alleged that Max Logistics Private Limited has also acknowledged that they have failed to pay ₹22.60 million in spite of repeated notices. A counter reply has been filed by GRFL. The next date of hearing is yet to be posted.
4. GRFL has filed a civil writ petition No. 4388 of 2014 dated March 5, 2014 before the Punjab and Haryana High Court, against the Union of India, for a penalty of ₹5.88 million imposed on GRFL by the Excise and Tax Commissioner for failure to notify the department under the Punjab Value Added Tax Act, 2005. GRFL has in its writ petition prayed that the respondents be refrained from making any recovery on the basis of the penalty imposed. The next date of hearing is September 18, 2014.

5. GRFL has filed a civil writ petition No. 5025 of 2014 dated March 12, 2014 before the Punjab and Haryana High Court, against the Union of India, for a penalty of ₹4.49 million imposed on GRFL by the Excise and Tax Commissioner for failure to notify the department under the Punjab Value Added Tax Act, 2005. GRFL has in its writ petition prayed that the respondents be refrained from making any recovery on the basis of the penalty imposed. The next date of hearing is September 18, 2014.
6. GRFL has filed an application on April 2, 2012 before the Civil Judge (Junior Division) Faridabad to vacate an order dated December 5, 2011 passed by the court in the matter of *Govind Ram v. Neeraj Kapoor and Another* wherein a stay on alienation of properties of GRFL was granted ex parte. The next date of hearing is October 7, 2014.
7. GRFL has filed an application on August 25, 2014 against the Tehsildar, Faridabad Tehsil, District of Haryana, Savita Devi, Hemant Kumar and Hemlata for declaration, mandatory and perpetual injunction before the Senior Civil Judge, Faridabad for declaring GRFL as the lawful owner of certain property, cancelling any mutation of records unlawfully done by the other defendants and restraining the defendants from transferring the land and further mutating the records in respect of such property. GRFL has alleged in the plaint that alleged that the defendant encroached upon the plaintiff's land and vide forged papers got a portion of the plaintiff's property mutated in the defendant's name. The matter is currently pending. The next date of hearing is September 29, 2014.

#### ***Insurance claims***

1. GRFL has filed a consumer complaint No. 285 of 2013 before the State Consumer Disputes Redressal Commission, New Delhi on May 3, 2013 against Oriental Insurance Company Limited on refusal of Oriental Insurance Company Limited to make good GRFL's insurance claim of approximately ₹4.5 million in pursuant to the 'Special Contingency Insurance Policy' bearing no. 121800/48/2009/3002. GRFL claimed insurance in respect of claims made against GRFL by M/s Times of India for damages to a consignment in transit. The matter is currently pending and the next date of hearing is on January 19, 2015.
2. GRFL has filed Application No.17 of 2012 on August 12, 2013 against IFFCO TOKIYO Limited before the District Consumer Forum at Udyog Sadan, New Delhi IFFCO TOKIYO Limited refusing to make good GRFL's insurance claim for losses which arose out of an accident on the basis that the driver had an invalid license. The amount of claim is ₹1.52 million with interest at 18% p.a. The matter has been posted for final arguments. The next date of hearing is September 4, 2014.

#### **4. Gateway Distriparks (Kerala) Limited (GDKL)**

##### **Cases filed against GDKL**

##### ***Civil cases***

1. Falcon Infrastructure Limited has filed a writ petition before the High Court of Judicature at Cochin on May 10, 2012 against GDKL alleging noncompliance of Regulation 5 of the Handling of Cargo in Customs Areas Regulations, 2009 by GDKL and seeking an injunction against the running the Container Freight Station without complying with conditions stipulated in the aforesaid regulations. The matter was heard on May 22, 2012 and subsequently, GDKL has filed a counter affidavit to the petition. The matter is currently pending.
2. Rajamony Amma has filed a case No 421 of 2013 under section 26 Order VII Rules 1 to 7 of the Civil Procedure Code against GDKL and Pace CFS Private Limited on July 24, 2013 before the Munsiff Court, Chertalla for mandatory injunction for GDKL to return sale deeds with respect to property Sy Nos. 417/2A-2, 417/2-B and 417/2S-1-5 in Aroor and for restraining GDKL from proceeding against the property on basis of any equitable mortgage by deposit of title deeds by perpetual injunction. Injunction was granted by the Munsiff Court on an interim application No. 2054 of 2013 on August 8, 2013 against GDKL until further order. GDKL submitted a counter affidavit to vacate the injunction and filed an application for advancement of hearing. After the hearing of an interim application No. 2054 of 2013 the Hon'ble Court has by an order dated November 29, 2013 dismissed the said application. Rajamony Amma has preferred an appeal against the order of the Munsiff court before the Subcourt Chertalla under CMA 2 of 2014. The next date of hearing no. 421 of 2013 at the Munsiff Court is December 15, 2014 for framing of charges. The next date of hearing the appeal CMA 2 of 2014 is January 14, 2015.

3. Pace CFS Private Limited filed an application requesting for arbitration against GDKL before the High Court of Judicature at Cochin on July 26, 2010 in respect of breach of the Joint Venture Agreement dated September 29, 2007. Pace CFS Private Limited claimed ₹13.71 million from GDKL. The case was dismissed by the High Court of Judicature at Cochin on November 4, 2011 and subsequently, Pace CFS Private Limited has filed a restoration petition on March 5, 2013. Subsequently, a counter affidavit was filed by GDKL on July 23, 2013. The High Court of Judicature at Cochin vide its order dated May 27, 2014 in A.R.35/2010 appointed Justice P.R. Raman (Retired) as the sole arbitrator to resolve the dispute. The matter has been posted for filing objections on September 13, 2014.

#### ***Tax cases***

GDKL has filed an appeal before the Commissioner of Income Tax (Appeals) II, Ernakulam on January 5, 2011 against the claim of ₹1.33 million pursuant to disallowance by the Assessing Officer the amount of ₹2.28 million debited as repairs carried at Pace CFS Private Limited during Assessment Year 2008 – 2009 by an order dated December 3, 2010. The Commissioner of Income Tax (Appeals) – II has confirmed the order of the Assessing Officer vide an order dated November 26, 2013. GDKL has further preferred an appeal before the Income Tax Appellate Tribunal dated January 8, 2014. The Income Tax Appellate Tribunal vide an order on July 4, 2014 allowed the appeal and remitted the matter back to the Assessing Officer to verify the expenditure and decide the matter accordingly.

#### **Cases filed by GDKL**

#### ***Civil cases***

GDKL has filed a suit no. 7 of 2014 for realization of mortgage amounts and costs due from Rajamony Amma and Pace CFS Private Limited before the Hon'ble Sub Court at Cherthala on February 7, 2014 in respect of a mortgage by deposit of title deeds created in favour of GDKL by Rajamony Amma. GDKL has claimed an amount of ₹20.85 million. The next date of hearing is December 8, 2014 for filing written statements.

### **5. Chandra CFS and Terminal Operators Private Limited (Chandra CFS)**

#### **Cases filed against Chandra CFS and Terminal Operators Private Limited**

#### ***Tax cases***

The Customs, Excise and Service Tax Appellate Tribunal, Chennai, issued a stay order Number 40575 and 40576 of 2013 on February 28, 2013 ordering Chandra CFS to pre-deposit ₹0.50 million and MB Satyam to pre-deposit ₹0.20 million and to report compliance on April 23, 2013. The Tribunal issued a final order No. 40132 and 40133 of 2013 on April 23, 2013 dismissing the stay on account of non-appearance of the Chandra CFS and for no record of compliance with the stay order. Chandra CFS filed a miscellaneous appeal for restoring appeal No. C/252 – 253 of 2011 stating that the pre-deposit had been paid on April 17, 2013 but the reporting of compliance was filed on April 25, 2013. The appeal was restored on August 2, 2013 vide a miscellaneous order no. 41935 and 41936 of 2013. The matter is currently pending. The next date of hearing is yet to be posted.

#### ***Notices***

Atlas International has issued a legal notice against Chandra CFS and Hanjin Shipping Company India Private Limited on December 10, 2012 claiming ₹2.08 million with interest at 18% p.a. for damage of the cargo caused by rotten Apples that were brought by the Hanjin Shipping Company that was the shipper/liner and stored in Chandra CFS. Chandra CFS is attempting to settle the claim.

## GOVERNMENT APPROVALS

*Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities, required for carrying out its present business and except as mentioned below, no further material approvals are required for carrying on our Company's present business. The object clause and objects incidental to the main objects of the Memorandum of Association enable our Company to undertake its existing activities.*

### I. Approvals in relation to our Company's incorporation

1. Certificate of incorporation as Snowman Frozen Foods Limited dated March 17, 1993.
2. Certificate of commencement of business dated May 31, 1993.
3. Certificate of registration of the Company Law Board Order for change of registered office from Kerala to Karnataka dated December 17, 2008.
4. Fresh certificate of incorporation pursuant to change in name to Snowman Logistics Limited dated March 17, 2011.

### II. Approvals for the Issue

1. Our Board of Directors has approved the Issue pursuant to resolution passed at their meeting held on August 1, 2013;
2. Our Shareholders have approved the Issue pursuant to a resolution passed at the EGM held on August 5, 2013; and
3. Our Company has an in-principle approval from the National Stock Exchange of India Limited dated September 27, 2013 and from the BSE Limited dated October 11, 2013 for listing of the Equity Shares issued by our Company pursuant to the Issue.

### III. Approvals in relation to our business at our existing warehouses

Our Company is required to obtain various approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business in India include the following:

#### A. Tax related and other approvals

Permanent Account Number AAFCS3514H.

Service Tax Registration Number AAFCS3514HST001.

Tax Deduction Account Number BLRS03089C under the Income Tax Act, 1961.

Professional Tax Registration under the relevant state laws:

| Location                       | Professional Tax Registration                                                  |
|--------------------------------|--------------------------------------------------------------------------------|
| Andhra Pradesh – Visakhapatnam | 28878963242                                                                    |
| Karnataka                      | 313151038                                                                      |
| Andhra Pradesh – Hyderabad     | 28756711200                                                                    |
| Gujarat                        | RC07/02/006/0162 (registration) and EC 07/02/006/0218 (enrolment)              |
| West Bengal                    | EWS 0260940 and as amended by certificate with registration number RWS 0000558 |
| Maharashtra                    | 27890024921P                                                                   |
| Gujarat – Surat                | PR2224000102                                                                   |

VAT registrations under the relevant state laws and Central Sales Tax:

| Location    | TIN                                     |
|-------------|-----------------------------------------|
| Gujarat     | 24074601451 (VAT) 24574601451 (CST)     |
| Kerala      | 32150602372 (VAT) 32150602372C (CST)    |
| West Bengal | 19733577084 (VAT) and 19733577278 (CST) |

| Location                       | TIN                                                |
|--------------------------------|----------------------------------------------------|
| Punjab                         | 03131110971 (VAT) 28663811 (CST)                   |
| Karnataka                      | 29970012525 (VAT and CST)                          |
| Tamil Nadu                     | 33631662422 (VAT) and 797378, Area code: 084 (CST) |
| Haryana                        | 06911322874 (VAT and CST)                          |
| Andhra Pradesh – Visakhapatnam | 37480281252 (VAT and CST)                          |
| Maharashtra                    | 27890024921V (VAT) and 27890024921C (CST)          |
| New Delhi                      | 07960259419                                        |
| Uttar Pradesh                  | 09389002304 (New Delhi)<br>GB0453320               |
| Maharashtra – Nagpur           | NMCLBT161314P036443                                |
| Telangana – Hyderabad          | 36480281252 (VAT and CST)                          |

## B. Approvals in relation to human resources

### 1. Provident Fund Registrations:

| Location      | Provident Fund Number |
|---------------|-----------------------|
| Karnataka     | KN/23090              |
| Visakhapatnam | AP/36748              |

### 2. Employee State Insurance Corporation Number 53-24495-09:

| Location Name                  | Subcode           |
|--------------------------------|-------------------|
| Gujarat                        | 37530244950010009 |
| Haryana                        | 13/22344/07       |
| Karnataka                      | 53-24495-09       |
| Tamil Nadu                     | 51000835740000001 |
| Delhi                          | 11-10-100628-0009 |
| Andhra Pradesh – Hyderabad     | 52-22657-09       |
| West Bengal                    | 41-18254-09       |
| Maharashtra – Taloja           | 34000163720001020 |
| Maharashtra – Nagpur           | 23530244950010009 |
| Andhra Pradesh – Visakhapatnam | 62-33361-03       |

### 3. Contract Labour Registration under the relevant state laws:

| Location                                           | Contract Labour Registration |
|----------------------------------------------------|------------------------------|
| Ahmedabad                                          | RG/AAMD/MSA-28-4/2013        |
| Bengaluru                                          | ALCB-3/CLA/P-201/2012-13     |
| Chennai                                            | R. Dis. (E) 237/2012         |
| Taloja (near Mumbai) for M8 CS I, CS-II and CS III | ACL/Raigad/CLA/RC-49/2012    |
| Tajola (near Mumbai) for M55                       | ACL/Raigad/CLA/RC-04/2013    |
| Visakhapatnam                                      | DCL/VSP/CL-PE/87/2013        |
| Kolkata                                            | R-165/CL/99/SLO              |
| Surat                                              | SU/RG/115/21/10/2013         |
| Hyderabad                                          | B/PE/RC/RR/2200/13           |
| Pune                                               | PN/4463                      |

## C. Other licenses

### 1. Ahmedabad

| Sr. No. | License / Approval                                                        | Issuing Authority                                                                               | License No.      | Issue / Renewal date | Expiry Date       |
|---------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------|----------------------|-------------------|
| 1.      | Factories License                                                         | Directorate Industrial Safety and Health, Gujarat                                               | 4326             | June 4, 2013         | December 31, 2018 |
| 2.      | Food and Drugs Control License                                            | Food and Drugs Control Administration, Ahmedabad                                                | 10712001000022   | March 5, 2013        | March 4, 2018     |
| 3.      | ISO 22000 Certification                                                   | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS   | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification                                                   | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS   | May 11, 2013         | May 10, 2016      |
| 5.      | Consent to operate                                                        | Gujarat Pollution Control Board                                                                 | AWH-11085        | March 21, 2013       | January 17, 2015  |
| 6.      | Drugs license, (Form 20B and 21B) under the Drugs and Cosmetics Act, 1940 | Food and Drugs Control Administration, Licensing Authority and Assistant Commissioner           | ADR-91868, 91869 | December 8, 2010     | December 7, 2015  |

2. Palwal (near Delhi)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.                        | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|------------------------------------|----------------------|-------------------|
| 1.      | Factories License       | Chief Inspector of Factories, Haryana                                                           | 3205                               | September 9, 2010    | December 31, 2014 |
| 2.      | License under the FSSAI | Department of Food and Drug and Administration, Haryana                                         | 10812014000008 and D-O/PL/W/012/46 | May 10, 2012         | May 9, 2015       |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                     | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH                                               | 1210433918 TMS                     | May 11, 2013         | May 10, 2016      |

| Sr. No. | License / Approval                          | Issuing Authority                             | License No.        | Issue Renewal date / | Expiry Date |
|---------|---------------------------------------------|-----------------------------------------------|--------------------|----------------------|-------------|
|         |                                             | Trading as TUV SUD South Asia Private Limited |                    |                      |             |
| 5.      | Exemption from obtaining consent to operate | Haryana Pollution Control Board               | HSPCB/BR/2009/5137 | September 2, 2009    | NA          |

3. Nelamangala (near Bengaluru)

| Sr. No. | License / Approval                                                        | Issuing Authority                                                                               | License No.                             | Issue Renewal date / | Expiry Date       |
|---------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------|-------------------|
| 1.      | Factories License                                                         | Assistant Director of Factories, Bangalore                                                      | MYB10732                                | January 1, 2014      | December 31, 2015 |
| 2.      | License under FSSAI                                                       | Food and Standards Authority of India                                                           | Cold Storage: 11212303000046            | June 22, 2012        | June 21, 2015     |
| 3.      | ISO 22000 Certification                                                   | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                          | February 6, 2012     | February 2, 2015  |
| 4.      | Consent to operate                                                        | Karnataka State Pollution Control Board                                                         | KSPCB/RO-NEL/IND/CFO/R.No.42616/2012-13 | January 1, 2013      | December 31, 2022 |
| 5.      | Drugs license, (Form 20B and 21B) under the Drugs and Cosmetics Act, 1940 | Food and Drugs Control Administration, Licensing Authority and Assistant Commissioner           | KA-BRC-115002 and KA-BRC-115003         | July 11, 2013        | July 10, 2018     |

4. Bengaluru – Virgonagar-I

| Sr. No. | License / Approval      | Issuing Authority                                                | License No.                                                       | Issue Renewal date /                                           | Expiry Date                                                    |
|---------|-------------------------|------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| 1.      | Factories License       | Assistant Director of Factories, Bangalore                       | 18556                                                             | January 1, 2013                                                | December 31, 2014                                              |
| 2.      | License under FSSAI     | Food and Safety Standards Authority of India                     | Storage: 11212302000229 Re-labeling and transport: 11212302000489 | Storage: April 9, 2012 Re-labeling and transport: June 5, 2013 | Storage: April 8, 2015 Re-labeling and transport: June 4, 2016 |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV | 1251033918 TMS                                                    | February 6, 2012                                               | February 2, 2015                                               |

| Sr. No. | License / Approval                                                        | Issuing Authority                                                                               | License No.                     | Issue / Renewal date | Expiry Date       |
|---------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------|----------------------|-------------------|
|         |                                                                           | SUD South Asia Private Limited                                                                  |                                 |                      |                   |
| 4.      | ISO 14001 Certification                                                   | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                  | May 11, 2013         | May 10, 2016      |
| 5.      | Consent for discharge of effluents and emissions                          | Karnataka State Pollution Control Board                                                         | PCB/155/CNP/09/H147             | January 1, 2011      | December 31, 2019 |
| 6.      | Consent for operation                                                     | Karnataka State Pollution Control Board                                                         | PCB/155/CNP/09/H392 /           | May 31, 2011         | December 31, 2019 |
| 7.      | Drugs license, (Form 20B and 21B) under the Drugs and Cosmetics Act, 1940 | Food and Drugs Control Administration, Licensing Authority and Assistant Commissioner           | KA-B05-111922 and KA-B05-111923 | March 6, 2013        | March 5, 2018     |

5. Bengaluru – Virgonagar-II

| Sr. No. | License / Approval                               | Issuing Authority                                                                               | License No.                                                          | Issue / Renewal date                                                | Expiry Date                                                         |
|---------|--------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|
| 1.      | Factories License                                | Assistant Director of Factories, Bangalore                                                      | MYB 20014                                                            | January 1, 2013                                                     | December 31, 2014                                                   |
| 2.      | License under FSSAI                              | Food and Safety Standards Authority of India                                                    | Storage: 11212302000982<br>Re-labeling and transport: 11212302000489 | Storage: August 23, 2012<br>Re-labeling and transport: June 5, 2013 | Storage: August 22, 2015<br>Re-labeling and transport: June 4, 2016 |
| 3.      | ISO 22000 Certification                          | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                                                       | February 6, 2012                                                    | February 2, 2015                                                    |
| 4.      | ISO 14001 Certification                          | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                                                       | May 11, 2013                                                        | May 10, 2016                                                        |
| 5.      | Consent for discharge of effluents and emissions | Karnataka State Pollution Control Board                                                         | 29/PCB/RO/BNG-MDP/2012-13/R2316                                      | January 1, 2013                                                     | December 31, 2022                                                   |

6. Mubarakpur (near Chandigarh)

| Sr. No. | License / Approval                                                                                 | Issuing Authority                                                                               | License No.         | Issue / Renewal date | Expiry Date        |
|---------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------|----------------------|--------------------|
| 1.      | Factories License                                                                                  | Director of Factories, Punjab                                                                   | MHL/SAS/S-51/476    | November 12, 2013    | December 31, 2017  |
| 2.      | License under FSSA                                                                                 | Civil Surgeon, Phase IV, Mohali                                                                 | 1211380100360       | September 11, 2013   | September 10, 2018 |
| 3.      | ISO 22000 Certification                                                                            | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918/21 TMS   | April 16, 2014       | February 2, 2015   |
| 4.      | Consent for discharge of effluents under the Water (Prevention and Control of Pollution) Act, 1974 | Punjab Pollution Control Board                                                                  | RO/MOH/WPC/13/F-249 | June 6, 2013         | June 5, 2023       |
| 5.      | Consent to operate under the Air (Prevention and Control of Pollution) Act, 1981                   | Punjab Pollution Control Board                                                                  | RO/MOH/APC/13/F-304 | June 6, 2013         | June 5, 2023       |

7. Chennai – I, Mevalurkuppam, (near Chennai)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.    | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------|----------------------|-------------------|
| 1.      | Factories License       | Deputy Chief Inspector of Factories, Kancheepuram, Chennai                                      | 45037          | December 31, 2012    | December 31, 2015 |
| 2.      | License under FSSA      | Tamil Nadu Food Safety & Drug Administration Department                                         | 12412008000293 | April 20, 2013       | April 19, 2016    |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South                      | 1210433918 TMS | May 11, 2013         | May 10, 2016      |

| Sr. No. | License / Approval                                                                                                       | Issuing Authority                            | License No.                                                        | Issue / Renewal date | Expiry Date    |
|---------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------------|----------------------|----------------|
|         |                                                                                                                          | Asia Private Limited                         |                                                                    |                      |                |
| 5.      | Certificate of Registration of Storage Premises                                                                          | Marine Products Export Development Authority | TN1/SP/006/13                                                      | March 27, 2013       | March 27, 2015 |
| 6.      | Certificate of approval for storing of frozen fishery products of the approved establishment for export to all countries | Export Inspection Agency                     | EIA/CH/FP/CHE: CS-8/A/2012-13/178                                  | April 4, 2013        | April 3, 2015  |
| 7.      | Consent for existing operation of the plant under the Air (Prevention and Control of Pollution) Act, 1981                | Tamil Nadu Pollution Control Board           | FSPR0289/OL/DEE/ TNPCB/SPR/A/2014 renewal consent order no. 12452  | May 12, 2016         | March 31, 2016 |
| 8.      | Consent for existing discharge of sewage under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974   | Tamil Nadu Pollution Control Board           | F.SPR0289/OL/DEE/ TNPCB/SPR/W/2014 renewal consent order no. 16418 | May 12, 2016         | March 31, 2016 |

8. Chennai – II, Mevalurkuppam, (near Chennai)

| Sr. No. | License / Approval                                                                | Issuing Authority                                                                               | License No.                                                       | Issue / Renewal date | Expiry Date       |
|---------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------|-------------------|
| 1.      | Factories License                                                                 | Deputy Chief Inspect of Factories, Kancheepuram, Chennai                                        | 68685                                                             | January 30, 2014     | December 31, 2018 |
| 2.      | License under FSSA                                                                | Tamil Nadu Food Safety & Drug Administration Department                                         | 12412008000293                                                    | April 20, 2013       | April 19, 2016    |
| 3.      | ISO 22000 Certification                                                           | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                                                    | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification                                                           | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                                                    | May 11, 2013         | May 10, 2016      |
| 5.      | Consent for existing operation of the plant under the Air (Prevention and Control | Tamil Nadu Pollution Control Board                                                              | FSPR0289/OL/DEE/ TNPCB/SPR/A/2014 renewal consent order no. 12452 | May 12, 2016         | March 31, 2016    |

| Sr. No. | License / Approval                                                                                                     | Issuing Authority                  | License No.                                                       | Issue / Renewal date | Expiry Date    |
|---------|------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------|----------------------|----------------|
|         | of Pollution) Act, 1981                                                                                                |                                    |                                                                   |                      |                |
| 6.      | Consent for existing discharge of sewage under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 | Tamil Nadu Pollution Control Board | F.SPR0289/OL/DEE/TNPCB/SPR/W/2014 renewal consent order no. 16418 | May 12, 2016         | March 31, 2016 |

9. Ezhupunna (near Cochin)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.                              | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------|----------------------|-------------------|
| 1.      | Factories License       | Department of Factories and Boilers, Government of Kerala                                       | T-57/99 (Registration No. APY/01/440/03) | December 30, 2010    | December 31, 2015 |
| 2.      | License under the FSSA  | Food Safety Department, Alappuzha                                                               | 11312004000104                           | April 1, 2013        | March 31, 2018    |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                           | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                           | May 11, 2013         | May 10, 2016      |
| 5.      | Consent to operate      | Kerala Pollution Control Board                                                                  | PCB/ALP/IC-865/R1/2012                   | October 4, 2012      | June 30, 2015     |

10. Hyderabad – I, Medak, (near Hyderabad)

| Sr. No. | License / Approval      | Issuing Authority                                                      | License No.    | Issue / Renewal date | Expiry Date      |
|---------|-------------------------|------------------------------------------------------------------------|----------------|----------------------|------------------|
| 1.      | Factories License       | Inspector of Factories, Sangareddy, Medak District                     | 30703          | February 23, 2000    | Until cancelled  |
| 2.      | License under FSSA      | Food Safety Designated Officer and Licensing Authority, Medak District | 10112020000016 | June 15, 2012        | June 14, 2015    |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management                                   | 1251033918 TMS | February 6, 2012     | February 2, 2015 |

| Sr. No. | License / Approval                                                                        | Issuing Authority                                                                               | License No.                        | Issue / Renewal date | Expiry Date    |
|---------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------|----------------------|----------------|
|         |                                                                                           | Service GmbH Trading as TUV SUD South Asia Private Limited                                      |                                    |                      |                |
| 4.      | ISO 14001 Certification                                                                   | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                     | May 11, 2013         | May 10, 2016   |
| 5.      | Consent for existing / new / altered discharge of sewage and/or trade effluents / outlets | Andhra Pradesh Pollution Control Board                                                          | 190/PCB/RO-1:SRD/PTN/W&A/2 012-523 | June 22, 2012        | March 31, 2017 |

11. Hyderabad – II, Kompally (near Hyderabad)

| Sr. No. | License / Approval                                                | Issuing Authority                                                                               | License No.          | Issue / Renewal date | Expiry Date       |
|---------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------|
| 1.      | Factories License                                                 | Inspector of Factories, Jeedimetla Circle                                                       | JDM / 410 / 2013     | August 22, 2013      | Until cancelled   |
| 2.      | License under FSSAI                                               | Food Safety Designated Officer and Licensing Authority, Medak District                          | 10113022000116       | May 13, 2013         | May 12, 2018      |
| 3.      | ISO 22000 Certification                                           | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918/20 TMS    | April 16, 2014       | February 2, 2015  |
| 4.      | ISO 14001 Certification                                           | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS       | May 11, 2013         | May 10, 2016      |
| 5.      | Consent to operate                                                | Andhra Pradesh Pollution Control Board                                                          | 118/NOC/A1/2013      | January 22, 2013     | NA                |
| 6.      | Drugs license, (Form 21B) under the Drugs and Cosmetics Act, 1940 | Drugs Control Administration, Assistant Director, Licensing Authority                           | AP/15/04/2013-112202 | December 19, 2013    | December 18, 2018 |

12. Kolkata – I, Serampore (near Kolkata)

| Sr. No. | License / Approval | Issuing Authority | License No. | Issue / Renewal date | Expiry Date |
|---------|--------------------|-------------------|-------------|----------------------|-------------|
|---------|--------------------|-------------------|-------------|----------------------|-------------|

|    |                         |                                                                                                 |                                     |                  |                   |
|----|-------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------|------------------|-------------------|
| 1. | Factories License       | Directorate of Factories, Government of West Bengal                                             | 15166, Registration No. 5-HG/X/2001 | January 1, 2014  | December 31, 2014 |
| 2. | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                      | February 6, 2012 | February 2, 2015  |
| 3. | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                      | May 11, 2013     | May 10, 2016      |
| 4. | Consent to operate      | West Bengal Pollution Control Board                                                             | 89/PCB/HGY/205 8-05(I)              | June 1, 2012     | May 31, 2016      |

13. Kolkata – II, Howrah, Kolkata

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.       | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|-------------------|----------------------|-------------------|
| 1.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918/18 TMS | April 16, 2014       | February 2, 2015  |
| 2.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS    | May 11, 2013         | May 10, 2016      |
| 3.      | License under FSSAI     | Deputy Chief Medical Officer of Health & Licensing Authority, FSSAI, Howrah                     | 12813008000652    | September 10, 2013   | September 9, 2016 |

14. Mulshi (near Pune)

| Sr. No. | License / Approval  | Issuing Authority                                          | License No.    | Issue / Renewal date | Expiry Date  |
|---------|---------------------|------------------------------------------------------------|----------------|----------------------|--------------|
| 1.      | Factories License   | Directorate Industrial Safety and Health, Pune             | 94522          | June 5, 2012         | 2015         |
| 2.      | License under FSSAI | Assistant Commissioner (Food) Food and Drug Administration | 11512022003471 | May 7, 2012          | June 6, 2017 |

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.    | Issue / Renewal date | Expiry Date      |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------|----------------------|------------------|
| 3.      | Consent to operate      | Maharashtra Pollution Control Board                                                             | MPCB/14/06532  | July 11, 2014        | March 31, 2016   |
| 4.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS | February 6, 2012     | February 2, 2015 |
| 5.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS | May 11, 2013         | May 10, 2016     |

15. Phillaur (near Jalandhar)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.     | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|-----------------|----------------------|-------------------|
| 1.      | Factories License       | Director of Factories, Punjab                                                                   | JLR/M-91/22/L-5 | January 1, 2011      | December 31, 2015 |
| 2.      | License under FSSAI     | Food Safety and Standards Authority of India                                                    | 12114361001226  | March 25, 2014       | March 31, 2019    |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS  | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS  | May 11, 2013         | May 10, 2016      |

16. Taloja (M8 CS-I)

| Sr. No. | License / Approval  | Issuing Authority                                           | License No.    | Issue / Renewal date | Expiry Date       |
|---------|---------------------|-------------------------------------------------------------|----------------|----------------------|-------------------|
| 1.      | Factories License   | Directorate Industrial Safety and Health, Mumbai            | 104331         | December 31, 2011    | December 31, 2017 |
| 2.      | License under FSSAI | Assistant Commissioner (Food), Food and Drug Administration | 11511019000008 | October 21, 2011     | December 31, 2016 |

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.    | Issue / Renewal date | Expiry Date      |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------|----------------------|------------------|
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS | February 6, 2012     | February 2, 2015 |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS | May 11, 2013         | May 10, 2016     |

17. Taloja (M8 CS-II)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.    | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------|----------------------|-------------------|
| 1.      | Factories License       | Directorate Industrial Safety and Health, Mumbai                                                | 104522         | May 20, 2013         | December 31, 2017 |
| 2.      | License under FSSAI     | Assistant Commissioner (Food), Food and Drug Administration                                     | 11511019000008 | October 21, 2011     | December 31, 2016 |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS | May 11, 2013         | May 10, 2016      |

18. Taloja (M8 CS-III)

| Sr. No. | License / Approval  | Issuing Authority                                           | License No.    | Issue / Renewal date | Expiry Date       |
|---------|---------------------|-------------------------------------------------------------|----------------|----------------------|-------------------|
| 1.      | Factories License   | Directorate Industrial Safety and Health, Mumbai            | 104521         | May 20, 2013         | December 31, 2017 |
| 2.      | License under FSSAI | Assistant Commissioner (Food), Food and Drug Administration | 11511019000008 | October 21, 2011     | December 31, 2016 |

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.    | Issue / Renewal date | Expiry Date      |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------|----------------------|------------------|
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS | February 6, 2012     | February 2, 2015 |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS | May 11, 2013         | May 10, 2016     |

19. M-55, Taloja (Near Mumbai)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.                                  | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------|-------------------|
| 1.      | Factories License       | Directorate Industrial Safety and Health, Mumbai                                                | 95228                                        | July 12, 2013        | December 31, 2017 |
| 2.      | License under FSSAI     | Assistant Commissioner (Food), Food and Drug Administration                                     | 11512019002258                               | June 28, 2012        | June 27, 2017     |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                               | February 6, 2012     | February 2, 2015  |
| 4.      | ISO 14001 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                               | May 11, 2013         | May 10, 2016      |
| 5.      | Consent to operate      | Maharashtra Pollution Control Board                                                             | RONM/NNB/TA LOJA/ORANGE/O/CC/C-MPCB/13/04284 | May 17, 2013         | March 13, 2015    |

20. Nagpur

| Sr. No. | License / Approval | Issuing Authority                                | License No.                                                           | Issue / Renewal date | Expiry Date       |
|---------|--------------------|--------------------------------------------------|-----------------------------------------------------------------------|----------------------|-------------------|
| 1.      | Factories License  | Directorate Industrial Safety and Health, Mumbai | 1772/NAG/2(m)(i) Registration S&E/II/MRG/Y2K/295<br>License No. 93963 | February 13, 2013    | December 31, 2015 |
| 2.      | License under the  | Assistant                                        | 11512055000538                                                        | May 4, 2012          | December 31,      |

| Sr. No. | License / Approval | Issuing Authority                                 | License No.                             | Issue / Renewal date | Expiry Date       |
|---------|--------------------|---------------------------------------------------|-----------------------------------------|----------------------|-------------------|
|         | FSSA               | Commissioner (Food), Food and Drug Administration |                                         |                      | 2016              |
| 3.      | Consent to operate | Maharashtra Pollution Control Board               | NRO/Nagpur/E-17 of 2008/372-CC/674/2011 | May 4, 2011          | November 30, 2014 |

21. Visakhapatnam

| Sr. No. | License / Approval                              | Issuing Authority                                                                               | License No.                    | Issue / Renewal date | Expiry Date      |
|---------|-------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------|----------------------|------------------|
| 1.      | Factories License                               | Inspector of Factories, Visakhapatnam                                                           | 1741                           | February 3, 2000     | Until cancelled  |
| 2.      | License under FSSA                              | Food Safety Designated Officer and Licensing Authority, Greater Visakha Municipal Corporation   | 10113028000354                 | August 2, 2013       | August 1, 2016   |
| 3.      | ISO 22000 Certification                         | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918 TMS                 | February 6, 2012     | February 2, 2015 |
| 4.      | ISO 14001 Certification                         | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1210433918 TMS                 | May 11, 2013         | May 10, 2016     |
| 5.      | Certificate of Registration of Storage Premises | Marine Products Export Development Authority                                                    | AP1/SP/025/13                  | March 20, 2013       | March 19, 2015   |
| 6.      | Certificate of Approval                         | Export Inspection Council of India                                                              | CHE: CS – 9                    | May 21, 2013         | May 21, 2015     |
| 7.      | Consent to operate                              | General Manager, District Industries Centre                                                     | L.Dis.No.1475/PCB /Ack/A1/2014 | April 11, 2014       | NA               |

22. Surat

| Sr. No. | License / Approval | Issuing Authority | License No. | Issue / Renewal date | Expiry Date |
|---------|--------------------|-------------------|-------------|----------------------|-------------|
|---------|--------------------|-------------------|-------------|----------------------|-------------|

| Sr. No. | License / Approval                                                                                                                                                                            | Issuing Authority                                                                               | License No.       | Issue / Renewal date | Expiry Date       |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------|----------------------|-------------------|
| 1.      | Factories License                                                                                                                                                                             | Directorate Industrial Safety & Health, Gujarat                                                 | 18926             | April 16, 2014       | December 31, 2014 |
| 2.      | License under FSSA                                                                                                                                                                            | Food and Drugs Control Administration, Gujarat                                                  | 10713022000111    | October 5, 2013      | October 4, 2018   |
| 3.      | ISO 22000 Certification                                                                                                                                                                       | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918/19 TMS | April 16, 2014       | February 2, 2015  |
| 4.      | Provisional consent to operate under the Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act 1974 and the Environment (Protection) Act, 1986 | Gujarat Pollution Control Board, Surat                                                          | AWH-15247         | April 3, 2014        | February 5, 2019  |

23. Bangalore (Ambient)

| Sr. No. | License / Approval | Issuing Authority                            | License No.    | Issue / Renewal date | Expiry Date    |
|---------|--------------------|----------------------------------------------|----------------|----------------------|----------------|
| 1.      | License under FSSA | Food Safety and Standards Authority of India | 11214302002104 | March 04, 2014       | March 03, 2017 |

**D. Miscellaneous licenses and approvals**

1. Registration Certificate of establishment for retail trade or business under the Delhi Shops & Establishment Act, 1954, bearing number 2013009438, issued by the Department of Labour and valid from March 28, 2013.
2. Certificate of registration of Work, A Motor Transport Undertakings bearing number ALCB-3/MTW/CR-01/2012-2013 issued by the Assistant Labour Commissioner, Bangalore Division-III, Department of Labour issued on November 26, 2013 and valid until December 31, 2014.
3. Central License under the Food Safety and Standards Act, 2006:

| License Number 10014043000905 for the following locations |                              |
|-----------------------------------------------------------|------------------------------|
| Ahmedabad                                                 | Kolkata – I, Serampore       |
| Hyderabad – I                                             | Mulshi (near Pune)           |
| Bengaluru – Virgonagar - I                                | Taloja (M8 CS-I)             |
| Bengaluru – Virgonagar – II                               | Taloja (M8 CS-II)            |
| Phillaur (near Jalandhar)                                 | Taloja (M8 CS-III)           |
| M-55, Taloja                                              | Nagpur                       |
| Chennai – I, Mevalurkuppam                                | Kolkata – II                 |
| Chennai – II, Mevalurkuppam                               | Mubarakpur (near Chandigarh) |
| Vishakhapatnam                                            | Surat                        |

| License Number 10014043000905 for the following locations |                     |
|-----------------------------------------------------------|---------------------|
| Ezhupunna (near Cochin)                                   | Palwal (near Delhi) |
| Nelamangala (near Bengaluru)                              | -                   |

**E. Licenses applied for but yet to be received**

1. Kolkata – I, Serampore (near Kolkata)

| Sr. No. | License / Approval                                          | Issuing Authority                                       | License No.                    | Expiry Date    | Date of application for renewal |
|---------|-------------------------------------------------------------|---------------------------------------------------------|--------------------------------|----------------|---------------------------------|
| 1.      | License under the FSSA                                      | Designated Officer, Food Safety and Standards Authority | 12812007000045                 | March 31, 2014 | March 28, 2014                  |
| 2.      | Certificate of Registration of Storage Premises             | Marine Products Export Development Authority            | 943/MPEDA/RE GN/CS/S-6/CA/2003 | July 16, 2014  | June 5, 2014                    |
| 3.      | Certificate of approval for storing frozen fishery products | Export Inspection Council of India                      | Kol:CS-2                       | August 6, 2014 | July 30, 2014                   |

2. Kolkata – II, Howrah, Kolkata

| Sr. No. | License / Approval | Issuing Authority        | License No. | Expiry Date       | Date of application for renewal |
|---------|--------------------|--------------------------|-------------|-------------------|---------------------------------|
| 1.      | Factories License  | Directorate of Factories | 18827       | December 31, 2013 | May 2, 2014                     |

3. Phillaur (near Jalandhar)

| Sr. No. | License / Approval | Issuing Authority              | License No.                                    | Expiry Date                                | Date of application for renewal            |
|---------|--------------------|--------------------------------|------------------------------------------------|--------------------------------------------|--------------------------------------------|
| 1.      | Consent to operate | Punjab Pollution Control Board | Air: Letter No. 1629<br>Water: Letter No. 1631 | Air: March 2, 2014<br>Water: March 2, 2014 | Air: April 1, 2014<br>Water: April 1, 2014 |

4. Mubarakpur (near Chandigarh)

| Sr. No. | License / Approval                                       | Issuing Authority                     | License No. | Expiry Date | Date of application for renewal |
|---------|----------------------------------------------------------|---------------------------------------|-------------|-------------|---------------------------------|
| 1.      | Registration under Employees State Insurance Corporation | Employees State Insurance Corporation | NA          | NA          | January 8, 2014                 |

5. Ezhupunna (Cochin)

| Sr. No. | License / Approval          | Issuing Authority | License No. | Expiry Date   | Date of application for renewal |
|---------|-----------------------------|-------------------|-------------|---------------|---------------------------------|
| 1.      | Certificate of Registration | Marine            | No.         | June 21, 2014 | June 5, 2014                    |

|    |                         |                                       |                                  |               |               |
|----|-------------------------|---------------------------------------|----------------------------------|---------------|---------------|
|    | of Storage Premises     | Products Export Development Authority | 1675/MPEDA/R EGN/SP/CN/S-14/2000 |               |               |
| 2. | Certificate of approval | Export Inspection Council of India    | KOC:CS-6                         | June 21, 2014 | July 23, 2014 |

6. Taloja (M8 CS-I)

| Sr. No. | License / Approval | Issuing Authority                   | License No.                 | Expiry Date   | Date of application for renewal |
|---------|--------------------|-------------------------------------|-----------------------------|---------------|---------------------------------|
| 1.      | Consent to operate | Maharashtra Pollution Control Board | MPCB/SRONM-III/Amend/CC-501 | July 31, 2014 | July 15, 2014                   |

7. Taloja (M8 CS-II)

| Sr. No. | License / Approval | Issuing Authority                   | License No.                 | Expiry Date   | Date of application for renewal |
|---------|--------------------|-------------------------------------|-----------------------------|---------------|---------------------------------|
| 1.      | Consent to operate | Maharashtra Pollution Control Board | MPCB/SRONM-III/Amend/CC-501 | July 31, 2014 | July 15, 2014                   |

8. Taloja (M8 CS-III)

| Sr. No. | License / Approval | Issuing Authority                   | License No.                 | Expiry Date   | Date of application for renewal |
|---------|--------------------|-------------------------------------|-----------------------------|---------------|---------------------------------|
| 1.      | Consent to operate | Maharashtra Pollution Control Board | MPCB/SRONM-III/Amend/CC-501 | July 31, 2014 | July 15, 2014                   |

**IV. Approvals obtained for our proposed warehouses**

**A. Tax registrations**

1. VAT registrations under the relevant state laws and Central Sales Tax:

| Location | TIN                       |
|----------|---------------------------|
| Odisha   | 21963302369 (VAT and CST) |

**B. Approvals in relation to human resources**

1. Contract Labour Registration under the relevant state laws:

| Location          | Contract Labour Registration |
|-------------------|------------------------------|
| Mumbai-32, Taloja | ACL/Raigad/CLA/RC-07/2014    |

**C. Other licenses obtained**

1. Surat (Ambient)

| Sr. No. | License / Approval | Issuing Authority             | License No. | Issue / Renewal date | Expiry Date       |
|---------|--------------------|-------------------------------|-------------|----------------------|-------------------|
| 1.      | Factories License  | Directorate Industrial Safety | 18926       | April 16, 2014       | December 31, 2014 |

| Sr. No. | License / Approval | Issuing Authority                                          | License No.    | Issue / Renewal date | Expiry Date     |
|---------|--------------------|------------------------------------------------------------|----------------|----------------------|-----------------|
| 2.      | License under FSSA | & Health<br>Food and Drugs Control Administration, Gujarat | 10713022000111 | October 5, 2013      | October 4, 2018 |

2. Chennai – I

| Sr. No. | License / Approval                                                                   | Issuing Authority                                          | License No.                                                    | Issue / Renewal date | Expiry Date       |
|---------|--------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------------------|----------------------|-------------------|
| 1.      | Factories License                                                                    | Deputy Chief Inspector of Factories, Kancheepuram, Chennai | KM - 9346                                                      | April 28, 2014       | December 31, 2014 |
| 2.      | Consent to establish under the Air (Prevention and Control of Pollution) Act, 1981   | Tamil Nadu Pollution Control Board                         | SPR/520/2014                                                   | April 8, 2014        | April 7, 2016     |
| 3.      | Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 | Tamil Nadu Pollution Control Board                         | SPR/520/2014                                                   | April 8, 2014        | April 7, 2016     |
| 4.      | Consent to operate under the Air (Prevention and Control of Pollution) Act, 1981     | Tamil Nadu Pollution Control Board                         | F.SPR1843/OL/DEE/TNPCB/SP R/A/2014<br>Consent no. SPR/518/2014 | June 26, 2014        | March 31, 2015    |
| 5.      | Consent to operate under the Water (Prevention and Control of Pollution) Act, 1974   | Tamil Nadu Pollution Control Board                         | F.SPR1843/OL/DEE/TNPCB/SP R/W/2014<br>Consent no. SPR/518/2014 | June 26, 2014        | March 31, 2015    |
| 6.      | License under FSSA                                                                   | Tamil Nadu Food Safety and Drug Administration Department  | 12414008001255                                                 | May 24, 2014         | May 23, 2017      |

3. Chennai – II

| Sr. No. | License / Approval                                                             | Issuing Authority                  | License No.                                                          | Issue / Renewal date | Expiry Date    |
|---------|--------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------|----------------------|----------------|
| 1.      | Consent to establish under Air (Prevention and Control of Pollution) Act, 1981 | Tamil Nadu Pollution Control Board | F.SPR1868/OL/DEE/TNPCB/SP R/A/2014<br>Consent Order no: SPR/519/2014 | April 08, 2014       | April 07, 2016 |
| 2.      | Consent to establish under Water (Prevention and                               | Tamil Nadu Pollution Control       | F.SPR1843/OL/DEE/TNPCB/SP                                            | April 08, 2014       | April 07, 2016 |

| Sr. No. | License / Approval              | Issuing Authority | License No.                                    | Issue / Renewal date | Expiry Date |
|---------|---------------------------------|-------------------|------------------------------------------------|----------------------|-------------|
|         | Control of Pollution) Act, 1974 | Board             | R/W/2014<br><br>Consent Order no: SPR/519/2014 |                      |             |

#### 4. Cuttack

| Sr. No. | License / Approval                  | Issuing Authority                            | License No.    | Issue / Renewal date | Expiry Date       |
|---------|-------------------------------------|----------------------------------------------|----------------|----------------------|-------------------|
| 1.      | Factories License                   | Directorate of Factories & Boilers, Odisha   | CK 714         | July 8, 2014         | December 31, 2014 |
| 2.      | Consent to establish                | State Pollution Control Board, Odisha        | 679/1829       | March 15, 2014       | March 14, 2019    |
| 3.      | Consent to operate                  | State Pollution Control Board, Odisha        | 1094/1829      | April 21, 2014       | March 31, 2015    |
| 4.      | Food Safety and Standards Act, 2006 | Health and Family Welfare Department, Odisha | 12014007000173 | July 25, 2014        | July 24, 2015     |

#### 5. Mumbai – I Talaja (near Mumbai) (M-32)

| Sr. No. | License / Approval      | Issuing Authority                                                                               | License No.                                | Issue / Renewal date | Expiry Date       |
|---------|-------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------|-------------------|
| 1.      | Factories License       | Joint Director, Industrial Safety & Health                                                      | 104802                                     | May 31, 2014         | December 31, 2018 |
| 2.      | License under FSSA      | Assistant Commissioner (Food), Food and Drug Administration                                     | 11514024004791                             | March 13, 2014       | March 12, 2019    |
| 3.      | ISO 22000 Certification | Certified body of TUV SUD Management Service GmbH Trading as TUV SUD South Asia Private Limited | 1251033918/22 TMS                          | April 16, 2014       | February 2, 2015  |
| 4.      | Consent to Establish    | Maharashtra Pollution Control Board                                                             | RONM/NNB/TA LOJA/E/CC/C-MPCB/13/08806      | October 18, 2013     | Until cancelled   |
| 5.      | Consent to operate      | Maharashtra Pollution Control Board                                                             | RONM/NNB/TT C/ORANGE/O/C C/C-MPCB/14/06240 | July 2, 2014         | March 31, 2018    |

#### 6. Pune

| Sr. No. | License / Approval   | Issuing Authority                                                                         | License No.       | Issue / Renewal date | Expiry Date     |
|---------|----------------------|-------------------------------------------------------------------------------------------|-------------------|----------------------|-----------------|
| 1.      | Consent to establish | Sub-Regional Officer, Sub-Regional Office, Pune – II, Maharashtra Pollution Control Board | MPCB/2014/05083   | May 29, 2014         | July 17, 2014   |
| 2.      | Consent to operate   | Sub-Regional Officer, Sub-Regional Office, Pune – II, Maharashtra Pollution Control Board | MPCB/2014/6744/14 | July 17, 2014        | August 31, 2017 |

#### 7. Visakhapatnam

| Sr. No. | License / Approval                                                                                                                                      | Issuing Authority                        | License No.                     | Issue / Renewal date | Expiry Date     |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------|----------------------|-----------------|
| 1.      | Factories License                                                                                                                                       | Joint Chief Inspector of Factories       | 2418<br>Registration no. 115042 | August 23, 2014      | Until cancelled |
| 2.      | Consent to establish and operate under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act 1974 | Department of Industries, Andhra Pradesh | 949/PCB/Ack/A1/2014             | March 6, 2014        | Until cancelled |

#### D. Licenses applied for but yet to be received

##### 1. Pune

| Sr. No. | License / Approval | Issuing Authority                                      | Date of application |
|---------|--------------------|--------------------------------------------------------|---------------------|
| 1.      | Factories License  | Assistant Director, Industrial Safety and Health, Pune | April 28, 2014      |

#### V. Intellectual Property related approvals

For details of the trademarks already registered by our Company and for the list of pending applications made by our Company, please see the chapter entitled ‘Our Business’ on page 115 of this Prospectus.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

1. Our Board of Directors has approved the Issue pursuant to resolution passed at their meeting held on August 1, 2013;
2. Our Shareholders have approved the Issue pursuant to a resolution passed at the EGM held on August 5, 2013; and
3. This Prospectus has been approved by our Board of Directors on August 30, 2014.

### **Prohibition by SEBI or Other Governmental Authorities**

Our Company, our Promoter, natural persons in control of the Promoter, Directors, Promoter Group and Group Companies, 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.

There has been no regulatory action taken or penalty imposed by any regulator against our Company.

The companies, with which our Promoter, Directors or persons in control of our Company are associated as promoter, directors or persons in control have not been prohibited from accessing in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There has been no action taken by SEBI against any entity belonging to the Promoter Group or forming part of Group Companies.

There has been no action initiated by SEBI/RBI or any other regulator (both domestic and overseas) against our Promoter or the promoters of our Promoter or any entities forming part of Group Companies.

No action has been taken by SEBI against our Directors or any entity our Directors are involved with as promoters or directors.

None of the entities that our Directors are associated with, which are engaged in securities market related business and are registered with SEBI.

### **Penalties imposed by other Regulatory Authorities**

Except as disclosed in the section entitled '*Outstanding Litigation and Material Developments*' at page 273 of this Prospectus no penalty has been imposed by regulatory authority against any entity belonging to the Promoter Group or forming part of Group Companies.

### **Prohibition by RBI**

Neither our Company nor our Promoter, relatives of our Promoter, Directors, Group Companies, have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

### **Declaration under the Companies Act**

We are in compliance with the provisions of the Companies Act, and nothing in this prospectus is contrary to the provisions of the Companies Act, SCRA, SEBI Act, and the rules and regulations made thereunder.

### **Eligibility for the Issue**

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 26(2) of the SEBI ICDR Regulations.

Regulation 26(2) of the SEBI ICDR Regulations states as follows:

*“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”*

The Issue is being made in compliance with Regulation 26(2) of the SEBI ICDR Regulations and at least 75% of the Offer is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders.

We will ensure compliance with Regulation 43(2) of the SEBI ICDR Regulations and Non-Institutional Bidders and Retail Individual Bidders will be allocated not more than 15% and 10% of the Offer, respectively.

Hence, we are eligible for the Offer under Regulation 26(2) of the SEBI ICDR Regulations. Further our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 failing which the entire application monies shall be refunded.

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 shall not be less than 1,000; otherwise the entire application money will be refunded. In case of delay, if any, in refund beyond 15 days from the date of closure of the Issue, our Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI ICDR Regulations:

- (a) Our Company, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoters or persons in control are or were associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- (b) Our Company has applied to the NSE and the BSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue through its applications dated September 16, 2013 and September 3, 2013, respectively and has received the in-principle approvals from the NSE and the BSE pursuant to their letters dated September 27, 2013 and October 11, 2013, respectively. For the purposes of this Issue, the NSE shall be the Designated Stock Exchange;
- (c) Our Company has entered into agreements dated July 27, 2012 and July 26, 2013 with NSDL and CDSL respectively for dematerialisation of the Equity Shares; and
- (d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this RHP.

All the requirement of funds for investment in capital equipment and general corporate purposes would be funded from the Net Proceeds of the Issue. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue. For further details in this regard, see section the titled ‘Objects of the Issue’ on page 79 of this Prospectus.

#### **DISCLAIMER CLAUSE OF 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE**

REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 29, 2013 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
  - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH 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 WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF

INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO 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.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO 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 ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE.
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.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
  - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. - NOTED FOR COMPLIANCE

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO IS RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of this Prospectus with the RoC in terms of Sections 26 and 32 of the Companies Act.

#### **Caution - Disclaimer from our Company, and the BRLM**

Our Company, our Directors, the BRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.snowman.in](http://www.snowman.in), would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the BRLM 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.

Neither our Company, nor any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, 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 Equity Shares of our Company.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company 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 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**

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in 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 to FIIs, Eligible NRIs, Eligible QFIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in 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 Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the 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 the 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the Securities Act) 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.**

#### **Disclaimer Clause of BSE**

“BSE Limited (“the Exchange”) has given vide its letter dated October 11, 2013, 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 scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this 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 this Company;

and it should not for any reason be deemed or construed 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 this 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 the 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/217359-H dated September 27, 2013 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 scrutinised 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 Corporation Finance Department, Overseas Towers, 7<sup>th</sup> Floor, 756/L Anna Salai, Chennai 600 002.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, have been delivered for registration to the RoC and a copy of this Prospectus to be filed under Section 26 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Bengaluru.

## Listing

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. NSE 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 will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within eight days after our Company become liable to repay it, then our Company, every Director of our Company who is an officer in default, in proportion to the number of Equity Shares offered/issued by each of them in the Issue, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of interest of 15% per annum on application money, as prescribed under Section 40 of the Companies Act read with Rule 3(1)(c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 12 Working Days from the Bid/Issue Closing Date.

## Track record of past issues handled by the BRLM

The price information of past issues handled by HDFC Bank Limited is as follows:

| Sr No. | Issue Name              | Issue Size (in ₹ million) | Issue Price (₹) | Listing Date | Opening Price on Listing Date | Closing Price on Listing Date | % Change in Price on listing date (Closing) vs. Issue Price (%) | Benchmark index on listing date (Closing) | Closing price as on 10th calendar day from listing date | Benchmark index as on 10th calendar days from listing day (Closing) | Closing price as on 20th calendar day from listing date | Benchmark index as on 20th calendar days from listing day (Closing) | Closing price as on 30th calendar day from listing date | Benchmark index as on 30th calendar days from listing day (Closing) |
|--------|-------------------------|---------------------------|-----------------|--------------|-------------------------------|-------------------------------|-----------------------------------------------------------------|-------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|
| 1      | Muthoot Finance Limited | 9,012.5                   | 175.0           | 6 May, 2011  | 196.60                        | 175.90                        | 0.51                                                            | 5,551.45                                  | 160.50                                                  | 5,499.00                                                            | 157.60                                                  | 5,412.35                                                            | 175.25                                                  | 5,532.05                                                            |

|   |                         |          |        |                   |        |        |        |          |        |          |        |          |        |          |
|---|-------------------------|----------|--------|-------------------|--------|--------|--------|----------|--------|----------|--------|----------|--------|----------|
| 2 | Bharti Infratel Limited | 41,727.6 | 220.0* | 28 December, 2012 | 200.00 | 191.65 | -12.89 | 5,908.35 | 207.40 | 5,988.40 | 204.95 | 6,039.20 | 210.30 | 6,074.80 |
|---|-------------------------|----------|--------|-------------------|--------|--------|--------|----------|--------|----------|--------|----------|--------|----------|

Source: [www.nseindia.com](http://www.nseindia.com)

Benchmark Index considered above in all the cases was Nifty

Note: 10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day

\*Issue Price for Retail Investors: Rs.210, Issue Price for Anchor Investors: Rs.230

### Summary statement of price information of past issues handled by HDFC Bank Limited:

A summary statement of the abovementioned price information of past issues handled by us as lead manager to public issues as follows:

| Financial Year | Total No. of IPO's | Total Funds Raised (in ₹ million) | Nos. of IPOs trading at discount on listing date |                 |                | No. of IPOs trading at premium on listing date |                 |                | Nos. of IPOs trading at discount as on 30th calendar day from listing date |                 |                | Nos. of IPOs trading at premium as on 30th calendar day from listing date |                 |                |
|----------------|--------------------|-----------------------------------|--------------------------------------------------|-----------------|----------------|------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------|-----------------|----------------|
|                |                    |                                   | Over 50 %                                        | Between 25-50 % | Less than 25 % | Over 50 %                                      | Between 25-50 % | Less than 25 % | Over 50 %                                                                  | Between 25-50 % | Less than 25 % | Over 50 %                                                                 | Between 25-50 % | Less than 25 % |
| 2011-12        | 1                  | 9,012.5                           | -                                                | -               | -              | -                                              | -               | 1              | -                                                                          | -               | -              | -                                                                         | -               | 1              |
| 2012-13        | 1                  | 41,727.6                          | -                                                | -               | 1              | -                                              | -               | -              | -                                                                          | -               | 1              | -                                                                         | -               | -              |

### Track record of past issues handled by the Manager

For details regarding the track record of the Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLM, as set forth in the table below:

| Sr. No | Name of the Manager | Website                                                                                                                                       |
|--------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | HDFC Bank Limited   | <a href="http://www.hdfcbank.com/wholesale/info-as-per-SEBI-circular.htm">http://www.hdfcbank.com/wholesale/info-as-per-SEBI-circular.htm</a> |

### Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, the statutory auditors, the domestic legal counsel to our Company, domestic legal counsel to the Book Running Lead Manager, Bankers to the Issue, the Bankers to our Company and (b) the BRLM, the Syndicate Member, the Escrow Collection Bankers and the Registrar to the Issue to act in their respective capacities, will be obtained prior to the filing of this Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act.

Our Company has received written consent from the Statutory Auditors namely, Price Waterhouse, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act in this Prospectus in relation to the reports of the Statutory Auditors dated May 16, 2014 on the restated financial information of our Company, included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus. A written consent under the provisions of the Companies Act is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the Securities Act, the Statutory Auditors have not given consent under Section 7 of the Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Prospectus is different from those defined under the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. The reference to the Statutory Auditors as “experts” in this Prospectus is not made in the context of the Securities Act but solely in the context of this initial public offering in India or the Issue.

### Expert to the Issue

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

- a. Report by the IPO Grading Agency dated March 10, 2014 furnishing the rationale of its grading of the Issue and the grading revalidation letter dated July 8, 2014;
- b. Our Company has received written consent from the Statutory Auditors namely, Price Waterhouse, Chartered Accountants, to include its name as an expert under Section 58 of the Companies Act in this Prospectus in relation to the report of the Statutory Auditors dated August 29, 2013 on the restated financial information of our Company, included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus. A written consent under the provisions of the Companies Act is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the Securities Act, the Statutory Auditors have not given consent under Section 7 of the Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Prospectus is different from those defined under the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. The reference to the Statutory Auditors as “experts” in this Prospectus is not made in the context of the Securities Act but solely in the context of this initial public offering in India or the Issue; and
- c. Statement of Tax Benefits dated V. Kiranmayi, Chartered Accountant provided by August 6, 2014.

### Issue Related Expenses

Except as disclosed in the chapter titled ‘*Objects of the Issue*’ on page 79 of this Prospectus, the expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs’ commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

The Issue expenses other than the listing fee comprising the fees and expenses of the Book Running Lead Manager, Domestic the legal counsel to our Company, Domestic legal counsel to the Book Running Lead Manager, underwriting commission, procurement commission if any, brokerage due to the underwriters and stock brokers/sub-brokers and the SCSBs payable in relation to the Issue shall by our Company

The estimated Issue expenses are as under:

| Activity                                                                                        | Expense<br>(in ₹<br>million) | Expense<br>(% of total<br>expenses) | Expense<br>(% of the<br>Issue size) |
|-------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| BRLM Fees, Underwriting commission, brokerage and selling commission <sup>#</sup>               | 72.15                        | 45.74                               | 3.65                                |
| Fees of Registrar to the Issue                                                                  | 1.00                         | 0.63                                | 0.05                                |
| Advisors’ Fees                                                                                  | 9.35                         | 5.93                                | 0.47                                |
| Fees of the IPO Grading Agency                                                                  | 0.60                         | 0.38                                | 0.03                                |
| Printing and distribution expenses                                                              | 17.48                        | 11.08                               | 0.89                                |
| Advertising and marketing expenses                                                              | 46.99                        | 29.79                               | 2.38                                |
| Others (including SEBI filing fee, fees to the Registrar of Companies and Stock Exchanges’ fee) | 10.18                        | 6.45                                | 0.52                                |
| <b>Total estimated Issue expenses</b>                                                           | <b>157.75</b>                | <b>100.00</b>                       | <b>7.98</b>                         |

<sup>#</sup> Includes the commission to the SCSBs for ASBA applications and processing fees of ₹ 15 to SCSBs for processing the Bid cum Application Forms procured by the Syndicate from ASBA Bidders in the Specified Cities and submitted to the SCSBs.

### Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) is stated in the engagement letter dated October 5, 2012, between our Company and the BRLM, copies of which were available for inspection at the Registered Office from 10.00 AM to 4.00 PM on Working Days from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date.

#### **Fees Payable to the Registrar to the Issue**

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated August 29, 2013 entered into, between our Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

#### **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 this Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

Except as disclosed in the chapter entitled '*Capital Structure*' on page 60 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **Commission and Brokerage paid on previous issues of the Equity Shares**

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

#### **Previous capital issue during the previous three years by listed Group Companies and associates of our Company**

None of the Group Companies and associates of our Company have undertaken a capital issue in the last three years preceding the date of this Prospectus.

#### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company**

Our Company has not undertaken any previous public or rights issue. None of the Group Companies or associates of our Company have undertaken any public or rights issue in the last ten years preceding the date of this Prospectus.

#### **Outstanding Debentures or Bonds**

Our Company does not have any outstanding debentures or bonds as of the date of filing this Prospectus.

#### **Outstanding Preference Shares**

Our Company does not have any outstanding preference shares as on date of this 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.

#### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue, our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB and the Member of the Syndicate with whom the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders or the address of the centre of the Syndicate where the Bid cum Application Form was submitted by the ASBA Bidder.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, 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 appointed a Shareholders'/ Investors' Grievances Committee comprising Mr. Prem Kishan Dass Gupta – Vice Chairman and Director; Mr. Saroosh Cowasjee Dinshaw – Independent Director; Mr. Michael Philip Pinto – Independent Director; and Mr. Kannan Ravindran Naidu – Wholetime Director and CEO as members. For details, please see the chapter entitled '*Our Management*' on page 148 of this Prospectus.

Our Company has also appointed Mr. Sundar Mangadu Agaram, Company Secretary of our Company as the Compliance Officer for the Issue and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

### **Changes in Auditors**

| <b>Sr. No.</b> | <b>Name</b>                                                                          | <b>Year of Appointment</b> | <b>Year of Cessation</b> | <b>Reason</b> |
|----------------|--------------------------------------------------------------------------------------|----------------------------|--------------------------|---------------|
| 1              | Price Waterhouse, Bangalore, Chartered Accountants<br>Firm registration No.: 007568S | 2001-2002                  | 2012-13                  | Resignation   |
| 2              | Price Waterhouse, Chartered Accountants<br>Firm registration No.: 301112E            | 2012-2013                  | -                        | Appointment   |

### **Capitalisation of Reserves or Profits**

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in the chapter entitled '*Capital Structure*' on page 60 of this Prospectus.

### **Revaluation of Assets**

Our Company has not re-valued its assets in the last five years.

## SECTION VII: ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, Bid cum Application Form, the Revision Form and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, 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 Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI or any other authorities while granting its approval for the Issue.

#### Ranking of Equity Shares

The Equity Shares being issued in this Issue shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue, will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment. *For further details, please see the section entitled 'Main Provisions of Articles of Association' on page 386 of this Prospectus.*

#### Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, our Articles of Association and the provisions of the Equity Listing Agreement. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition.

#### Face Value and Issue Price per Share

The face value of each Equity Share is ₹ 10. The Issue Price is ₹ 47 per Equity Share. The Anchor Investor Issue Price is ₹ 47 per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Manager and advertised in all editions of one English national daily, one Hindi national daily and one Kannada newspaper, each with wide circulation and made available on the websites of the Stock Exchanges, at least five Working Days prior to the Bid/Issue Opening Date. 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 at the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law.

#### 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 dividend, 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;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to freely transfer their Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Equity Listing Agreements with the Stock Exchange(s) and the Memorandum and 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 386 of this Prospectus.*

### **Market Lot and Trading Lot**

In terms of Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialised form for all investors.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allocation and Allotment through this Issue will be done only in electronic form in multiples of one Equity Shares to the successful Bidders subject to a minimum Allotment of 300 Equity Shares. *For details of Allocation and Allotment, please see the paragraph titled 'Basis of Allotment' under the chapter entitled 'Issue Procedure' on page 333 of this Prospectus.*

### **Joint Holders**

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

### **Jurisdiction**

Any dispute arising out of this Issue will be subject to the jurisdiction of competent court(s) in Mumbai, India only.

**The Equity Shares have not been and will not be registered under the US Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with section 72 of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the equity share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 72 of the Companies Act, any person who becomes a nominee shall, upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **Bid/Issue Program**

|                       |                                 |
|-----------------------|---------------------------------|
| FOR ALL BIDDERS*      | ISSUE OPENED ON AUGUST 26, 2014 |
| FOR ALL OTHER BIDDERS | ISSUE CLOSED ON AUGUST 28, 2014 |

*\*The Anchor Investor Bid / Issue Period opened and closed on August 25, 2014.*

#### **Minimum Subscription**

If our Company does not receive (i) the minimum subscription of 90% of the Issue within the Bid/Issue Period; and/or (ii) a subscription in the Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, our Company shall refund the entire subscription amount received, within period as prescribed under Regulation 14 of the SEBI ICDR Regulations. If there is a delay beyond prescribed period, our Company shall pay interest as prescribed under Rule 11 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

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.

If at least 75% of the Issue is not Allotted to the QIBs, the entire application money shall be refunded forthwith.

#### **Arrangements for Disposal of Odd Lots**

The Equity Shares will be traded in dematerialized form only and therefore the marketable lot is one Equity Share. Hence, there is no possibility of any odd lots.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for (a) the lock-in of the pre-Issue capital of our Company, Promoter's Minimum Contribution and the Anchor Investor lock-in as provided in the chapter entitled '*Capital Structure*' on page 60 of this Prospectus, and (b) otherwise provided in our Articles, as described in the section entitled '*Main Provisions of the Articles of Association*' on page 386 of this Prospectus, there are no restrictions on transfer and transmission of shares/debentures and on their consolidation/ splitting.

#### **Option to Receive Securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchanges. Allotees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **Withdrawal of the Issue**

Our Company, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers where the pre-issue advertisement had appeared, within two days of the Bid/Issue Closing Date, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Issue and subsequently, plans of an initial public offering by our Company, a draft red herring prospectus will be submitted again to SEBI. Our Company shall also inform the same to the Stock Exchanges.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus.

## ISSUE STRUCTURE

The present Issue comprising of 42,000,000 Equity Shares of ₹ 10 each for cash at price of ₹ 47 (including a premium of ₹ 37) aggregating to ₹ 1,974 million through the 100% Book Building process.

**Details of the Issue structure are tabulated below:**

| Particulars                                                          | QIBs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Non Institutional Bidders                                                                                        | Retail Individual Bidders                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Number of Equity Shares available for allocation</b>              | At least 31,500,000 Equity Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Not more than 6,300,000 Equity Shares or Issue size less allocation to QIB Bidders and Retail Individual Bidders | Not more than 4,200,000 Equity Shares or Issue size less allocation to QIB Bidders and Non Institutional Bidders.                                                                                                                                                     |
| <b>Percentage of Issue Size available for allocation</b>             | At least 75% of the Issue Size<br><br>However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only.                                                                                                                                                                                                                                                                                                                                                                                                     | Not more than 15% of the Issue Size or Issue Size less allocation to QIBs and Retail Individual Bidders          | Not more than 10% of the Issue Size or Issue Size less allocation to QIBs and Non Institutional Bidders                                                                                                                                                               |
| <b>Basis of Allocation if respective category is oversubscribed*</b> | Proportionate as follows:<br><br>(a) upto 1,102,500 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and<br>(b) 20,947,500 Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.<br><br>In the Anchor Investor Portion, up to 9,450,000 Equity Shares shall be available for allocation to Anchor Investors on a discretionary basis, out of which one third shall be available for allocation to domestic Mutual Funds only. | Proportionate                                                                                                    | Allotment to Retail Individual Bidders 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, in Retail Portion shall be Allotted on a proportionate basis.*** |
| <b>Minimum Bid</b>                                                   | Such number of Equity Shares in multiples of 300 Equity Shares so that the Bid Amount exceeds ₹2,00,000                                                                                                                                                                                                                                                                                                                                                                                                                                              | Such number of Equity Shares in multiples of 300 Equity Shares so that the Bid Amount exceeds ₹2,00,000          | 300 Equity Shares and in multiples of 300 Equity Shares                                                                                                                                                                                                               |
| <b>Maximum Bid</b>                                                   | Not exceeding the size of the Issue, subject to the investment limit applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Not exceeding the size of the Issue, subject to the investment limit as                                          | Such number of Equity Shares in multiples of 300 Equity Shares so that the                                                                                                                                                                                            |

| Particulars                   | QIBs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Non Institutional Bidders                                                                                                                                                                                                                                                                    | Retail Individual Bidders                                                                                                                                     |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               | to the Bidder                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | applicable to the Bidder                                                                                                                                                                                                                                                                     | Bid amount does not exceed ₹2,00,000.                                                                                                                         |
| <b>Mode of Allotment</b>      | Dematerialized mode                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Dematerialized mode                                                                                                                                                                                                                                                                          | Dematerialized mode                                                                                                                                           |
| <b>Bid Lot</b>                | 300 Equity Shares and in multiples of 300 Equity Shares thereafter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 300 Equity Shares and in multiples of 300 Equity Shares thereafter.                                                                                                                                                                                                                          | 300 Equity Shares and in multiples of 300 Equity Shares thereafter.                                                                                           |
| <b>Allotment Lot</b>          | 300 Equity Shares and in multiples of one Equity Share thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 300 Equity Shares and in multiples of one Equity Share thereafter                                                                                                                                                                                                                            | 300 Equity Shares and in multiples of one Equity Share thereafter                                                                                             |
| <b>Trading Lot/Market lot</b> | One (1) Equity Share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | One (1) Equity Share                                                                                                                                                                                                                                                                         | One (1) Equity Share                                                                                                                                          |
| <b>Who can apply**</b>        | Public financial institutions, as specified in Section 2 (72) of the Companies Act: scheduled commercial banks, mutual funds, foreign institutional investor and sub-account registered with SEBI (other than a sub-account which is a foreign corporate or foreign individual), multilateral and bilateral development financial institutions, VCF, FVCI, AIFs, state industrial development corporations, permitted insurance companies registered with the Insurance Regulatory and Development Authority, provident funds, (subject to applicable laws) with minimum corpus of ₹250 million and pension funds with minimum corpus of ₹250 million in accordance with applicable law, National Investment Fund set up by Government of India, insurance funds set up and managed by the army, navy and air force of the Union of India and insurance funds set up and managed by the Department of Posts, India. | Companies, Corporate Bodies, Scientific Institutions, Societies, Trusts, Resident Indian individuals, HUF (in the name of Karta), NRIs, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals and QFIs (applying for an amount exceeding ₹2,00,000) | Individuals (including ASBA Bidders, NRIs, HUFs in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed ₹2,00,000 in value. |
| <b>Terms of Payment</b>       | Full Bid Amount at the time of submission of the Bid cum Application Form through the ASBA Process                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Full Bid Amount at the time of submission of the Bid cum Application Form through the ASBA Process                                                                                                                                                                                           | Full Bid Amount at the time of submission of the Bid cum Application Form either through ASBA or                                                              |

| Particulars | QIBs                                                                                                                                                                                                                                                                                                                                                                                                    | Non Institutional Bidders | Retail Individual Bidders    |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------|
|             | (other than for Anchor Investors). Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form. Any balance amount payable by the Anchor Investors, due to a difference between the Issue Price and the Bid Amount paid by the Anchor Investors, shall be payable by the Anchor Investors within two Working Days of the Bid/Issue Closing Date. |                           | through the Non-ASBA Process |

\* Subject to valid Bids being received at or above the Issue Price, the Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted to QIB Bidders on a proportionate basis. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above the Issue Price. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

The QIB Portion includes Anchor Investor Portion, as per the SEBI ICDR Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Issue Price, shall be payable by Anchor Investor Pay-in Date.

\*\* In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form.

\*\*\* In the event, the Bids received from Retail Individual Bidders exceeds 4,200,000 Equity Shares, then the maximum number of Retail Individual Bidders who can be allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for allocation/Allotment to Retail Individual Bidders by the minimum Bid Lot ("**Maximum RII Allottees**"). The allocation/Allotment to Retail Individual Bidders will then be made in the following manner:

- In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Bidders shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to the Retail Individual Bidders who have received Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid lot).
- In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Bidders (in that category) who will then be allocated/ Allotted minimum Bid Lot shall be determined on draw of lots basis

Under-subscription, if any, in any category, except in the QIB category, would be met with spill-over from other categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

## Bid/Issue Programme\*

|                              |                                        |
|------------------------------|----------------------------------------|
| <b>FOR ALL BIDDERS</b>       | <b>ISSUE OPENS ON AUGUST 26, 2014</b>  |
| <b>FOR ALL OTHER BIDDERS</b> | <b>ISSUE CLOSES ON AUGUST 28, 2014</b> |

\* The Anchor Investor Bid/Issue Period was one Working Day prior to the Bid / Issue Opening Date i.e. August 25, 2014.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bidding Period at the Bidding Centres mentioned on the Bid cum Application Form **except that:**

- (i) in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the QIB Bid/Issue Closing Date;
- (ii) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Bid/Issue Closing Date; and
- (iii) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Bid/Issue Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Book Running Lead Manager to the Stock Exchanges.

Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will only be accepted on Working Days. Investors please note that, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Our Company or any member of the Syndicate is not 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-à-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 may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/Issue Opening Date.

**In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional Working Days after such revision, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Manager and the terminals of the other members of the Syndicate.**

## ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include certain references to the notified provisions of the Companies Act, 2013 to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM 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 the 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 the Red Herring Prospectus.

Please note that QIBs (other than Anchor Investors) and Non-Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. However, there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centers) as well as for non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in))) or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centers. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

SEBI by its circular (CIR/CFD/DIL/1/2011) dated April 29, 2011 (“2011 Circular”) has made it mandatory for the non retail bidders i.e., QIBs (other than Anchor Investors) and Non Institutional Bidders to make use of the facility of ASBA for making applications for public issues. Further, the 2011 Circular also provides a mechanism to enable the Syndicate and sub-Syndicate Members to procure Bid cum Application Forms submitted under the ASBA process from prospective Bidders. SEBI by its circular (CIR/CFD/14/2012) dated October 4, 2012 (“2012 Circular”), has introduced an additional mechanism for prospective Bidders to submit Bid cum Application Forms (ASBA and non-ASBA applications) using the stock broker network of Stock Exchanges, who may not be Syndicate Members in the Issue. The 2012 Circular envisages enabling this facility to submit the Bid cum Application Forms in more than 1,000 locations which are part of the nationwide broker network of the Stock Exchanges and where there is a presence of the brokers’ terminals, by March 1, 2013. Further, SEBI by its circular (CIR/CFD/DIL/ 4 /2013) dated January 23, 2013 (“2013 Circular”), in partial modification of the 2011 Circular, mandates that in order to facilitate Syndicate/ sub-Syndicate/ non-Syndicate Members to accept Bid cum Application Forms from prospective ASBA Bidders in the locations, all the SCSBs having a branch in the location of Broker Centers, notified in terms of the 2012 Circular are required to name at least one branch before March 1, 2013, where Syndicate/sub-Syndicate/ non-Syndicate Members can submit such Bid cum Application Forms.

Please note that pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2012, certain aspects, such as withdrawal and revision of

*Bids, manner of allocation to Retail Individual Bidders and announcement of Price Band, have been modified. Please note that such modifications have come into effect from October 12, 2012 and all Bidders are advised to read this section carefully before participating in the Issue.*

## **PART A**

### ***Book Building Procedure***

The Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted to QIBs, provided that our Company has allocated up to 30% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price, such that allotment to each Retail Individual Bidder shall not be less than the minimum bid lot, subject to availability of shares in Retail Individual Bidder's category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

In case of QIBs (other than Anchor Investors) Bidding through the Syndicate ASBA, the Book Running Lead Manager and its affiliate members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds only.

However, our Company, in consultation with the Book Running Lead Manager reserves the right to reject any Bid received from Anchor Investors without assigning any reason.

Bidders can Bid at any price within the Price Band. The Price Band and the Bid Lot for the Issue will be decided by our Company in consultation with the Book Running Lead Manager, and advertised in an English, a Hindi national daily newspaper and a Kannada daily newspaper, each with wide circulation at least five Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites.

**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 (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. On Allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchanges.**

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

## Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Syndicate Member, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, the NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLM.

QIBs (other than those investing in the Anchor Investor Portion) and Non-Institutional Investors shall mandatorily participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non-ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category                                                                                                                                | Color of the Bid cum Application Form * |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis**                                                                   | White                                   |
| Eligible NRIs, FPIs, FVCIs, registered multi-lateral and bi-lateral development financial institutions applying on a repatriation basis | Blue                                    |
| Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category***                                   | White                                   |

\* Excluding electronic Bid cum Application Form

\*\* Bid cum Application Forms and the abridged Prospectus will also be available on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))

\*\*\* Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLM.

All non-ASBA Bidders are required to submit their Bids through the Syndicate or the Registered Brokers only. ASBA Bidders are required to submit their Bids through the SCSBs (in physical or electronic form) or with the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centers, authorising SCSBs to block funds that are available in the ASBA Account specified in the Bid cum Application Form. Non-ASBA Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate or a Registered Broker for the purpose of making a Bid in terms of the Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the Syndicate or the Registered Brokers will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder. The Bidder should preserve this acknowledgment slip and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

Kindly note that the Syndicate/ Sub Syndicate or the Registered Broker at the Specified Cities or the Brokers Centers, as applicable, may not accept the Bid if there is no branch of the Escrow Collection Banks at that location.

To supplement the foregoing, the mode and manner of Bidding through the Bid cum Application Form is illustrated in the following chart:

| Category of bidder                                              | Mode of Bidding                                                                              | To whom the application form has to be submitted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retail Individual Bidders                                       | Either (i) ASBA or (ii) non-ASBA                                                             | <p>In case of ASBA Bidders</p> <p>(i) If using physical Bid cum Application Form, to the Syndicate/ Sub Syndicate at the Specified Locations, or to the Designated Branches of the SCSBs where the ASBA Account is maintained, or to the Registered Brokers at the Broker Centres ; or</p> <p>(ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA account is maintained.</p> <p>In case of non-ASBA Bidder:</p> <p>Using physical Bid cum Application Form, to the Syndicate/ Sub Syndicate at the Specified Locations or the Registered Brokers at the Broker Centres.</p> |
| Non Institutional Bidders and QIBs (excluding Anchor Investors) | ASBA ( <i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i> ) | <p>(i) If using physical Bid cum Application Form, to the Syndicate / Sub Syndicate at the Specified Locations, to the Designated Branches of the SCSBs where the ASBA Account is maintained, or to the Registered Brokers at the Broker Centres; or</p> <p>(ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA Account is maintained.</p>                                                                                                                                                                                                                                  |
| Anchor Investors                                                | Non- ASBA                                                                                    | To the Book Running Lead Manager.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

#### Who can Bid?

In addition to the category of Bidders set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

**ASBA Bidders bidding through a member of the Syndicate or a Registered Broker should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Cities or to a Registered Broker in a Broker Center. ASBA Bidders should also ensure that Bid cum Application Forms submitted to the member of the Syndicate in the Specified Cities or a Registered Broker at a Broker Center will 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 the members of the Syndicate or the Registered Broker to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at [http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised- Intermediaries](http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries)). ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.**

**It is not obligatory for the Registered Broker to accept the Bid cum Application Forms. However, upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Broker to comply**

with the obligations set out in 2012 Circular, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank (in case of Bids by Bidders other than ASBA Bidders) and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB (in case of Bids by ASBA Bidders), and are liable for any failure in this regard. Upon completion and submission of the Bid cum Application Form to a Syndicate or the Registered Broker or the SCSB, the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder. Upon the filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form.

#### **Participation by associates and affiliates of the BRLM and the Syndicate Member**

The BRLM and the Syndicate Member shall not be allowed to subscribe to this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Member may subscribe to the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category 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.

The BRLM and any persons related to the BRLM or the Promoters and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

#### **Bids by Mutual Funds**

As per the SEBI ICDR Regulations, at least one third of the Anchor Investor Portion will be reserved for domestic Mutual Funds and 5.00% of the QIB Portion (excluding Anchor Investor Portion) is reserved for allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund portion is greater than 1,102,500 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion. With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to 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.

One-third of the Anchor Investor Portion shall be reserved for allocation to 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.

**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 index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

#### **Bids by Eligible NRIs**

Eligible NRIs are permitted to participate in the Issue only on a non-repatriation basis. NRI may obtain copies of Bid cum Application Form from the offices of the BRLM, the Syndicate Members, the Registered Brokers and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs (applying on a non-repatriation basis) should make payments through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External ("NRE") Accounts or Foreign

Currency Non-Resident (“FCNR”) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance, or out of a Non-Resident Ordinary (“NRO”) Account. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

### **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) is not permitted to exceed 10% of our post-Issue 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.

FPIs are permitted to participate in the Issue subject to compliance with SEBI (FPI) Regulations, 2014 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 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 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; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. 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.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, in terms of the SEBI FPI Regulations, a QFI may continue to buy, sell or otherwise deal in securities, subject to the provisions of the SEBI FPI Regulations, for one year from the date of the agreement (or such other date as may be specified by SEBI) or until the QFI obtains a certificate of registration as FPI, whichever is earlier. QFIs shall be eligible to Bid under the Non-Institutional Bidders category.

The existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively. In terms of the FEMA Regulations, a QFI shall not be eligible to invest as a QFI upon obtaining registration as an FPI. However, all investments made by a QFI in accordance with the regulations, prior to registration as an FPI shall continue to be valid and taken into account for computation of the aggregate limit.

**FPIs are permitted to participate in the Issue only through the foreign portfolio investment scheme in accordance with Schedule 2A of the FEMA Regulations and FIIs are permitted to participate in the Issue only through the portfolio investment scheme in accordance with Schedule 2 of the FEMA Regulations.**

### **Bids by Anchor Investors**

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 30.00% of the QIB Portion in accordance with the SEBI ICDR Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI ICDR Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance

Equity Shares will be added to the QIB Portion. In accordance with the SEBI ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- (i) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 30.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date and be completed on the same day.
- (v) Our Company in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, subject to:
  - a. a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million;
  - b. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor, and
  - c. minimum of five and maximum of 25 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor.
- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The
- (vii) number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- (viii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (ix) If the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price will be payable by the Anchor Investors within two Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- (x) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- (xi) The BRLM, our Promoters, Promoter Group, Group Companies or any person related to them will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- (xii) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.  
For more information, see the section “Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment - Allotment to Anchor Investor” on page 356 of this Prospectus.
- (xiii) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **Bids by SEBI registered VCFs and AIFs**

The SEBI VCF Regulations *inter alia* prescribe the investment restrictions on the VCFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> 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.

**All Non-Resident Bidders including Eligible NRIs, FPIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian rupees will be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE Accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company or BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### **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 reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 2, 2012 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

#### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPs); and
- (c) the industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPs).

#### **Bids by SCSBs**

SCSBs participating in the Issue 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 ASBA applications.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of 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 reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of a Bid by way of ASBA pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Bid cum Application Form.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to Bids by FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- (b) With respect to Bids by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged along with the Bid cum Application Form.
- (c) With respect to Bids made by 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 a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- (d) With respect to 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.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

### **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 certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that 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 the Red Herring Prospectus.**

### **General Instructions**

#### ***Do's:***

- 1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
- 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 the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate (except in case of electronic forms) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Cities), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres.
6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Cities or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue;
7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. QIBs (other than Anchor Investors) and the Non-Institutional Investors should submit their Bids through the ASBA process only;
9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
10. Ensure that you request for and receive a TRS for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Cities), the SCSBs or the Registered Broker (at the Broker Centres);
12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a 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 IT 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;
17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
18. 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.
19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum

#### Application Forms.

20. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
21. Ensure that the category and sub-category is indicated;
22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
24. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Cities) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);
26. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
27. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Cities and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;
28. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/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; and
30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Cities or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### ***Don'ts:***

31. Do not Bid for lower than the minimum Bid size;
32. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
33. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
34. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

35. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;
36. Do not submit the Bid cum Application Forms to the Escrow Collection Banks (assuming that such bank is not a SCSB), our Company or the Registrar to the Issue;
37. Do not Bid on a Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
38. Anchor Investors should not Bid through the ASBA process;
39. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
40. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);
41. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
42. Do not submit the GIR number instead of the PAN;
43. Do not submit the Bids without the full Bid Amount;
44. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
45. 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;
46. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;
47. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
48. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
49. 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 Investor;
50. Do not submit more than five Bid cum Application Forms per ASBA Account;
51. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Cities or to the brokers other than the Registered Brokers at a location other than the Broker Centres;
52. Do not submit ASBA Bids to a member of the Syndicate in the Specified Cities unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Cities, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>); and
53. Do not submit ASBA Bids to a Registered Broker 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 Registered Broker 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 instructions**

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres three days of the week. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the

ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

#### **Payment into Escrow Account for non-ASBA Bidders**

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Retail Individual Investors: “**SLLIPO – Escrow Account - R**”
- (b) In case of Non-Resident Retail Individual Investors: “**SLLIPO – Escrow Account- NR**”

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: “**SLLIPO – Escrow Account – Anchor R**”
- (b) In case of Non-Resident Anchor Investors: “**SLLIPO – Escrow Account – Anchor NR**”

#### **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) All editions of English national newspaper Financial Express; (ii) All editions of Hindi national newspaper Junsatta; and (iii) Bangalore edition of Kannada newspaper Vijayvani, each with wide circulation.

#### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with the applicable law, which is termed as the ‘Prospectus’. The Prospectus contains details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and is complete in all material respects.

#### **Undertakings by our Company**

Our Company undertakes the following:

- That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That 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 12 Working Days of the Bid/Issue Closing Date;
- That the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- That no further Issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.;
- That adequate arrangements shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment;
- Our Company shall not have recourse to the Net Proceeds until final approval for trading of Equity Shares from all Stock Exchanges on which listing is sought has been received.

#### **Utilisation of Issue proceeds**

The Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act;
- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

## **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, 1956 as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the 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 Issues. 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, 2009**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the 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 Issue. 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 Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “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 ICDR Regulations, 2009. 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 26/27 of SEBI ICDR Regulations, 2009. 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 ICDR Regulations, 2009, the Companies Act, 1956 as amended or replaced by the Companies Act, 2013 (the “Companies Act”), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

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 ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the 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/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.5 ISSUE PERIOD**

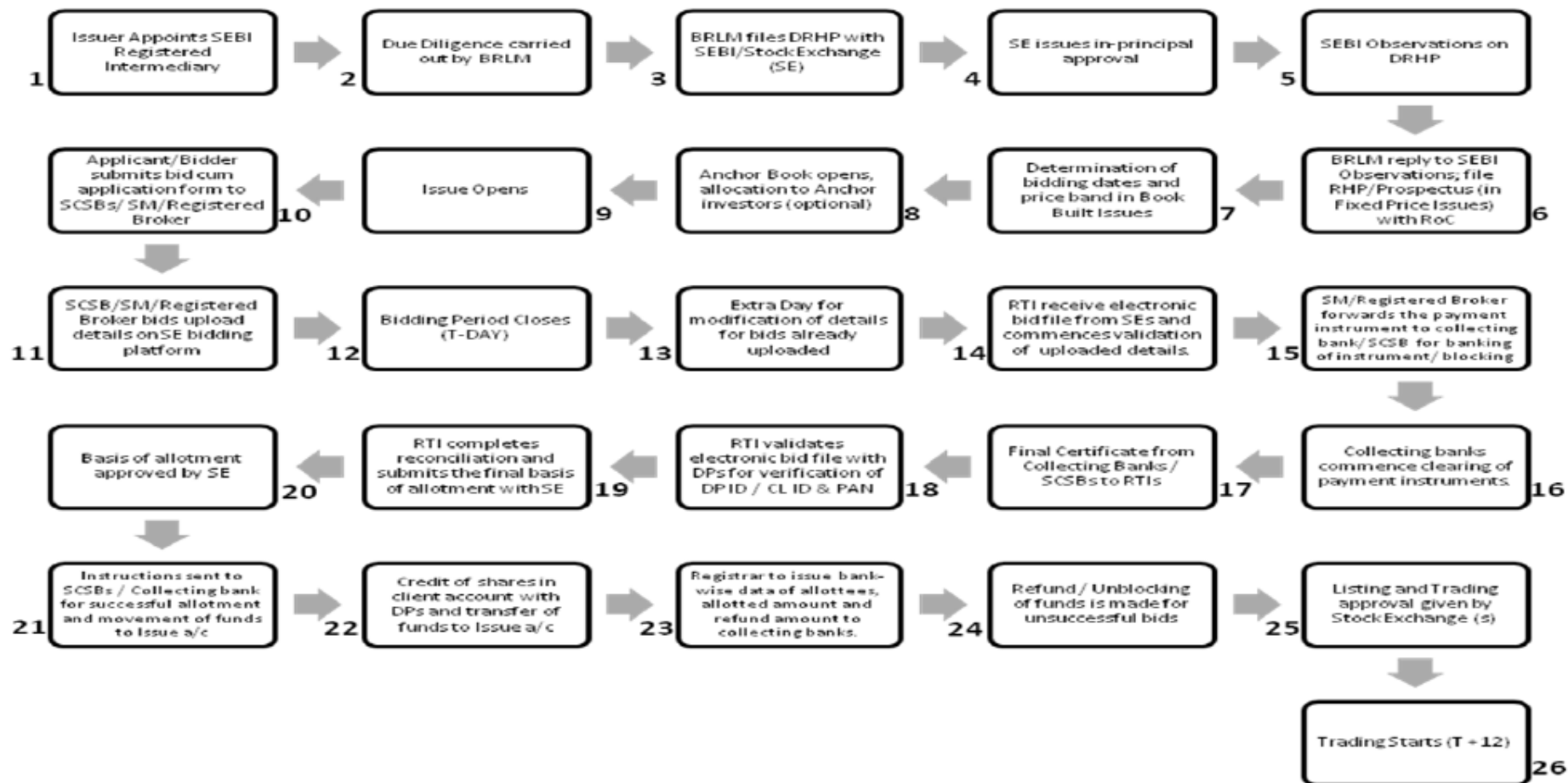
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue 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/Issue 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 BRLM(s), 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 Issue 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 Issue Date and Price
  - ii. Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
  - iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
  - iv. Step 12: Issue period closes
  - v. Step 15: Not Applicable



### 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, FII's, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue 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;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- 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; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs 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/Issue 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 cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges.

Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered 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 color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| <b>Category</b>                                                                                                                                                      | <b>Color of the Bid cum Application Form</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis                                                                                                  | White                                        |
| NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), on a repatriation basis | Blue                                         |
| Anchor Investors (where applicable) & Bidders/Applicants 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. 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 FILING 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

|                                                             |                                       |                                                                                      |
|-------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------|
| <b>COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA</b>  | <b>XYZ LIMITED - PUBLIC ISSUE - R</b> | <b>FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS</b> |
| <b>Logo</b><br>To,<br>The Board of Directors<br>XYZ Limited | <b>BOOK BUILDING ISSUE</b><br>IN      | <b>Bid cum Application Form No.</b>                                                  |

|                                        |                                       |                                                                                                                                                             |
|----------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SYNDICATE MEMBER'S STAMP & CODE        | BROKER'S/AGENT'S STAMP & CODE         | <b>1. NAME &amp; CONTACT DETAILS of Sole / First Applicant</b><br>Mr. / Ms. _____<br>Address _____<br>Email _____<br>Tel. No (with STD code) / Mobile _____ |
| ESCROW BANK / SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE |                                                                                                                                                             |
| BANK BRANCH SERIAL NO.                 | REGISTRAR'S / SCSB SERIAL NO.         | <b>2. PAN OF SOLE / FIRST APPLICANT</b><br>_____                                                                                                            |

| <b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL<br>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>6. Investor Status</b><br><input type="checkbox"/> Individual(s) - IND<br><input type="checkbox"/> Hindu Undivided Family* - HUF<br><input type="checkbox"/> Bodies Corporate - CO<br><input type="checkbox"/> Banks & Financial Institutions - FI<br><input type="checkbox"/> Mutual Funds - MF<br><input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)<br><input type="checkbox"/> National Investment Fund - NIF<br><input type="checkbox"/> Insurance Funds - IF<br><input type="checkbox"/> Insurance Companies - IC<br><input type="checkbox"/> Venture Capital Funds - VC<br><input type="checkbox"/> Others (Please specify) - OTH |                                                                                               |                                                                                               |                                                                                          |                          |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------|--|-----------|------------------|-----------|-------------------------|----------|---------------------------|---------------|---------------|---------------|--------------------------|---------------|--|--|--|--|--------------------------|---------------|--|--|--|--|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>4. BID OPTIONS</b> (Only Retail Individual Bidders can Bid at "Cut-off")<br><table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures)<br/>(Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off"<br/>(Price in multiples of ₹1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>7   6   5   4   3   2   1</td> <td>4   3   2   1</td> <td>4   3   2   1</td> <td>4   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)<br>(Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) / "Cut-off"<br>(Price in multiples of ₹1/- only) (In Figures)      |                                                                                          |                          |  | Bid Price | Discount, if any | Net Price | "Cut-off" (Please tick) | Option 1 | 7   6   5   4   3   2   1 | 4   3   2   1 | 4   3   2   1 | 4   3   2   1 | <input type="checkbox"/> | (OR) Option 2 |  |  |  |  | <input type="checkbox"/> | (OR) Option 3 |  |  |  |  | <input type="checkbox"/> | <b>5. Category</b><br><input type="checkbox"/> Retail Individual<br><input type="checkbox"/> Non-Institutional<br><input type="checkbox"/> QIB |
| Bid Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                               | No. of Equity Shares Bid (In Figures)<br>(Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) / "Cut-off"<br>(Price in multiples of ₹1/- only) (In Figures) |                          |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Bid Price                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Discount, if any                                                                              |                                                                                               | Net Price                                                                                | "Cut-off" (Please tick)  |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |
| Option 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 7   6   5   4   3   2   1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 4   3   2   1                                                                                 | 4   3   2   1                                                                                 | 4   3   2   1                                                                            | <input type="checkbox"/> |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |
| (OR) Option 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                               |                                                                                               |                                                                                          | <input type="checkbox"/> |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |
| (OR) Option 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                               |                                                                                               |                                                                                          | <input type="checkbox"/> |  |           |                  |           |                         |          |                           |               |               |               |                          |               |  |  |  |  |                          |               |  |  |  |  |                          |                                                                                                                                                |

|                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>7. PAYMENT DETAILS</b> (Please tick (✓) any one of payment option A or B below)<br>Amount Paid (₹ in figures) _____ (₹ in words) _____<br><input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD)<br>Cheque/DD No. _____ Dated D / M / Y<br>Drawn on (Bank Name & Branch) _____<br><input type="checkbox"/> (B) ASBA<br>Bank A/c No. _____<br>Bank Name & Branch _____ | <b>PAYMENT OPTIONS</b> <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|

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 FORM 2A AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVER LEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filing up the Bid Cum Application Form given overleaf.

|                                                                               |                                                                                                                                                                                                                                         |                                                                                                          |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>8A. SIGNATURE OF SOLE / FIRST APPLICANT</b><br>_____<br>Date : _____, 2011 | <b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b><br>(AS PER BANK RECORDS) (For ASBA option ONLY)<br>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue<br>1) _____<br>2) _____<br>3) _____ | <b>BROKER'S / SCSB BRANCH'S STAMP</b><br>(Acknowledging upload of Bid in Stock Exchange system)<br>_____ |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                     |                                                          |                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------|
| <b>XYZ LIMITED</b>                                                                                                                                                  | <b>Acknowledgement Slip for Syndicate Member / SCSB</b>  | <b>Bid cum Application Form No.</b> |
| DPID / CLID _____<br>Amount Paid (₹ in figures) _____<br>Cheque / DD/ASBA Bank A/c No. _____<br>Received from Mr./Ms. _____<br>Telephone / Mobile _____ Email _____ | Bank & Branch _____<br>Stamp & Signature of Banker _____ | PAN _____                           |

| <b>XYZ LIMITED</b>            | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <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> <tr> <td>Cheque / DD/ASBA Bank A/c No.</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bank &amp; Branch</td> <td></td> <td></td> <td></td> </tr> </table> |          | Option 1 | Option 2 | Option 3 | No. of Equity Shares |  |  |  | Bid Price |  |  |  | Amount Paid (₹) |  |  |  | Cheque / DD/ASBA Bank A/c No. |  |  |  | Bank & Branch |  |  |  | <b>Stamp &amp; Signature of Syndicate Member / SCSB</b><br>_____<br><b>Name of Sole / First Applicant</b><br>_____<br><b>Acknowledgement Slip for Bidder</b><br><b>Bid cum Application Form No.</b> |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------------------|--|--|--|-----------|--|--|--|-----------------|--|--|--|-------------------------------|--|--|--|---------------|--|--|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               | Option 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Option 2 | Option 3 |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |
| No. of Equity Shares          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |
| Bid Price                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |
| Amount Paid (₹)               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |
| Cheque / DD/ASBA Bank A/c No. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |
| Bank & Branch                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                               |  |  |  |               |  |  |  |                                                                                                                                                                                                     |

|                                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| COMMON BID CUM APPLICATION<br>FORM FOR ASBA / NON-ASBA                                                                                                                                                                                                                                                                                                                                                                   |  | XYZ LIMITED - PUBLIC ISSUE - NR                                                                                                 |  | FOR ELIGIBLE NRIs, FIIs, FVCI, ETC.,<br>APPLYING ON A REPATRIATION BASIS                                                                                                                                                                                                                                                               |  |
| Logo                                                                                                                                                                                                                                                                                                                                                                                                                     |  | To,<br>The Board of Directors<br>XYZ Limited                                                                                    |  | <div style="border: 1px solid black; padding: 2px;">BOOK BUILDING ISSUE</div> <div style="border: 1px solid black; padding: 2px;">INE523L01018</div>                                                                                                                                                                                   |  |
| SYNDICATE MEMBER'S STAMP & CODE                                                                                                                                                                                                                                                                                                                                                                                          |  | BROKER'S/AGENT'S STAMP & CODE                                                                                                   |  | 1. NAME & CONTACT DETAILS of Sole / First Applicant                                                                                                                                                                                                                                                                                    |  |
| ESCROW BANK / SCRB BRANCH STAMP & CODE                                                                                                                                                                                                                                                                                                                                                                                   |  | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE                                                                                           |  | Mr. / Ms. _____<br>Address _____<br>Email _____<br>Tel. No (with STD code) / Mobile _____                                                                                                                                                                                                                                              |  |
| BANK BRANCH SERIAL NO.                                                                                                                                                                                                                                                                                                                                                                                                   |  | REGISTRAR'S / SCRB SERIAL NO.                                                                                                   |  | 2. PAN OF SOLE / FIRST APPLICANT                                                                                                                                                                                                                                                                                                       |  |
| 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"/> NRI Non-Resident Indian (Repatriation basis)<br><input type="checkbox"/> FII Foreign Institutional Investor<br><input type="checkbox"/> FVCI Foreign Venture Capital Investor<br><input type="checkbox"/> FIISA FI Sub Account Corporate / Individual<br><input type="checkbox"/> OTH Others (Please Specify) |  |
| 4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")                                                                                                                                                                                                                                                                                                                                                     |  |                                                                                                                                 |  | 5. Category                                                                                                                                                                                                                                                                                                                            |  |
| Bid Options                                                                                                                                                                                                                                                                                                                                                                                                              |  | No. of Equity Shares Bid (In Figures)<br>(Bids must be in multiples of Bid Lot as advertised)                                   |  | Price per Equity Share (₹) "Cut-off"<br>(Price in multiples of ₹ 1/- only) (In Figures)                                                                                                                                                                                                                                                |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                          |  | Bid Price                                                                                                                       |  | Discount, if any                                                                                                                                                                                                                                                                                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                          |  | Net Price                                                                                                                       |  | "Cut-off"<br>(Please tick)                                                                                                                                                                                                                                                                                                             |  |
| Option 1                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                 |  | <input type="checkbox"/> Retail Individual                                                                                                                                                                                                                                                                                             |  |
| (OR) Option 2                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                 |  | <input type="checkbox"/> Non-Institutional                                                                                                                                                                                                                                                                                             |  |
| (OR) Option 3                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                 |  | <input type="checkbox"/> QIB                                                                                                                                                                                                                                                                                                           |  |
| 7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                                                 |  | PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment                                                                                                                                                                                                                                            |  |
| Amount Paid (₹ in figures) _____ (₹ in words) _____                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| <input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD)                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                 |  | <input type="checkbox"/> (B) ASBA                                                                                                                                                                                                                                                                                                      |  |
| Cheque/DD No. _____                                                                                                                                                                                                                                                                                                                                                                                                      |  | Dated D / M / Y Y                                                                                                               |  | Bank A/c No. _____                                                                                                                                                                                                                                                                                                                     |  |
| Drawn on (Bank Name & Branch) _____                                                                                                                                                                                                                                                                                                                                                                                      |  | 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 FORM 2A 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 APPLICANT                                                                                                                                                                                                                                                                                                                                                                                  |  | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)<br>(AS PER BANK RECORDS) (For ASBA option ONLY)                                    |  | BROKER'S / SCRB BRANCH'S STAMP<br>(Acknowledging upload of Bid in Stock Exchange system)                                                                                                                                                                                                                                               |  |
| Date : _____, 2011                                                                                                                                                                                                                                                                                                                                                                                                       |  | (We authorize the SCRB to do all acts as are necessary to make the Application in the issue<br>1) _____<br>2) _____<br>3) _____ |  |                                                                                                                                                                                                                                                                                                                                        |  |
| TEAR HERE                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| XYZ LIMITED                                                                                                                                                                                                                                                                                                                                                                                                              |  | Acknowledgement Slip<br>for Syndicate Member / SCRB                                                                             |  | Bid cum Application Form No. _____                                                                                                                                                                                                                                                                                                     |  |
| DPID / CLID _____                                                                                                                                                                                                                                                                                                                                                                                                        |  | PAN _____                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Amount Paid (₹ in figures) _____                                                                                                                                                                                                                                                                                                                                                                                         |  | Bank & Branch _____                                                                                                             |  | Stamp & Signature of Banker                                                                                                                                                                                                                                                                                                            |  |
| Cheque / DD/ASBA Bank A/c No. _____                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Received from Mr./Ms. _____                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Telephone / Mobile _____                                                                                                                                                                                                                                                                                                                                                                                                 |  | Email _____                                                                                                                     |  |                                                                                                                                                                                                                                                                                                                                        |  |
| TEAR HERE                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| XYZ LIMITED                                                                                                                                                                                                                                                                                                                                                                                                              |  | Stamp & Signature of Syndicate Member / SCRB                                                                                    |  | Name of Sole / First Applicant                                                                                                                                                                                                                                                                                                         |  |
| No. of Equity Shares                                                                                                                                                                                                                                                                                                                                                                                                     |  | Option 1                                                                                                                        |  | Option 2                                                                                                                                                                                                                                                                                                                               |  |
| Bid Price                                                                                                                                                                                                                                                                                                                                                                                                                |  | Option 3                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Amount Paid (₹)                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Cheque / DD/ASBA Bank A/c No. _____                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Bank & Branch _____                                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                        |  |
| Acknowledgement Slip for Bidder                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                 |  | Bid cum Application Form No. _____                                                                                                                                                                                                                                                                                                     |  |

#### 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(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used

by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

- (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. All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of Section 38 of the Companies Act, 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.”*
- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER 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(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for 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. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. 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/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders 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/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 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 Issue, 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 giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (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/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue 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 Investors 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 NIIs and such Bids from QIBs and NIIs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.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 RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may 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 Investors, 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 Rs. 200,000.

In case the Bid Amount exceeds Rs. 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.

- (b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 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. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders 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 Rs. 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 30% 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/ Issue 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 Issue 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 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 Bids at three 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 member of the Syndicate, SCSB or Registered Broker 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 Issue 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, 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 Net Issue 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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 Category.

#### 4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Upto 30% of the QIB Category 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 ICDR Regulations, 2009, 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 ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs and FVCIs may not be allowed to Bid/Apply in the Issue 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) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for 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) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.
- (d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

##### 4.1.7.1 **Instructions for non-ASBA Bidders:**

- (a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- (b) **For Bids made through a member of the Syndicate:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- (c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.
- (d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- (e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

##### 4.1.7.2 **Payment instructions for ASBA Bidders**

- (a) ASBA Bidders may submit the Bid cum Application Form either

- i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
  - ii. 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
  - iii. in physical mode to a member of the Syndicate at the Specified Locations or
  - iv. Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may 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) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate 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 the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
  - (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, 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 the Registered Brokers to deposit Bid cum Application Forms.
  - (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
  - (i) Upon receipt of the Bid cum Application 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 Bid cum Application 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 upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
  - (l) Upon submission of a completed Bid cum Application Form each ASBA 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 Bid cum Application 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 Issue, or until withdrawal or rejection of the Bid, as the case may be.

- (n) SCSBs bidding in the Issue 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 Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each 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 ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA 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 Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

#### **4.1.7.3 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.7.4 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (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 RII 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 ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/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 duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
  - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
  - iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
  - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries -
  - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or
  - iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
  - iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

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/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, 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) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.
- (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/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB 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:

| COMMON BID REVISION FORM<br>FOR ASBA / NON-ASBA                                                                                                                                                                                                                                                                                                                                                          |  | XYZ LIMITED - PUBLIC ISSUE - R                                                                   |  | FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S<br>APPLYING ON A NON-REPATRIATION BASIS                   |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------|--|
| Logo                                                                                                                                                                                                                                                                                                                                                                                                     |  | To,<br>The Board of Directors<br>XYZ Limited                                                     |  | BOOK BUILDING ISSUE<br>INE523L01018                                                                |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | Bid cum Application<br>Form No.                                                                    |  |
| SYNDICATE MEMBER'S STAMP & CODE                                                                                                                                                                                                                                                                                                                                                                          |  | BROKER'S/AGENT'S STAMP & CODE                                                                    |  | 1. NAME & CONTACT DETAILS of Sole / First Applicant                                                |  |
| ESCROW BANK/SCSB BRANCH STAMP & CODE                                                                                                                                                                                                                                                                                                                                                                     |  | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE                                                            |  | Mr. / Ms.                                                                                          |  |
| BANK BRANCH SERIAL NO.                                                                                                                                                                                                                                                                                                                                                                                   |  | REGISTRAR'S / SCSB SERIAL NO.                                                                    |  | Tel. No (with STD code) / Mobile                                                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | 2. PAN OF SOLE / FIRST APPLICANT                                                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID     |  |
| PLEASE CHANGE MY BID                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                                                                  |  |                                                                                                    |  |
| 4. FROM (as per last Bid or Revision)                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                  |  |                                                                                                    |  |
| Bid Options                                                                                                                                                                                                                                                                                                                                                                                              |  | No. of Equity Shares Bid<br>(Bids must be in multiples of Bid Lot as advertised)<br>(In Figures) |  | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)<br>(In Figures)            |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  | 7 6 5 4 3 2 1                                                                                    |  | Bid Price Discount, if any Net Price "Cut-off"<br>(Please tick)                                    |  |
| Option 1                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                  |  |                                                                                                    |  |
| (OR) Option 2                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| (OR) Option 3                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| 5. TO (Revised Bid)                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                  |  |                                                                                                    |  |
| Bid Options                                                                                                                                                                                                                                                                                                                                                                                              |  | No. of Equity Shares Bid<br>(Bids must be in multiples of Bid Lot as advertised)<br>(In Figures) |  | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)<br>(In Figures)            |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  | 7 6 5 4 3 2 1                                                                                    |  | Bid Price Discount, if any Net Price "Cut-off"<br>(Please tick)                                    |  |
| Option 1                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                  |  |                                                                                                    |  |
| (OR) Option 2                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| (OR) Option 3                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| 6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)                                                                                                                                                                                                                                                                                                                              |  |                                                                                                  |  |                                                                                                    |  |
| PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment                                                                                                                                                                                                                                                                                                              |  |                                                                                                  |  |                                                                                                    |  |
| Additional Amount Paid (₹ in figures) (₹ in words)                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                  |  |                                                                                                    |  |
| <input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD)                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                  |  |                                                                                                    |  |
| Cheque/DD No. Dated DDMMYY                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                                  |  |                                                                                                    |  |
| Drawn on (Bank Name & Branch)                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| <input type="checkbox"/> (B) 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 REVISION FORM AND THE ATTACHED FORM 2A 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 revision Form given overleaf. |  |                                                                                                  |  |                                                                                                    |  |
| 7A. SIGNATURE OF SOLE/ JOINT APPLICANT(S)                                                                                                                                                                                                                                                                                                                                                                |  | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)<br>(AS PER BANK RECORDS) (FOR ASBA OPTION ONLY)     |  | BROKER'S / SCSB BRANCH'S STAMP<br>(Acknowledging upload of Bid in<br>Stock Exchange system)        |  |
| Date : _____, 2011                                                                                                                                                                                                                                                                                                                                                                                       |  | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue     |  |                                                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  | 1) _____                                                                                         |  |                                                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  | 2) _____                                                                                         |  |                                                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  | 3) _____                                                                                         |  |                                                                                                    |  |
| TEAR HERE                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                  |  |                                                                                                    |  |
| XYZ LIMITED<br>BID REVISION FORM                                                                                                                                                                                                                                                                                                                                                                         |  | Acknowledgement Slip<br>for Syndicate Member / SCSB                                              |  | Bid cum<br>Application<br>Form No.                                                                 |  |
| DPID / CLID                                                                                                                                                                                                                                                                                                                                                                                              |  | PAN                                                                                              |  |                                                                                                    |  |
| Additional Amount Paid (₹)                                                                                                                                                                                                                                                                                                                                                                               |  | Bank & Branch                                                                                    |  | Stamp & Signature of Banker                                                                        |  |
| Cheque / DD/ASBA Bank A/c No.                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| Received from Mr./Ms.                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                  |  |                                                                                                    |  |
| Telephone / Mobile                                                                                                                                                                                                                                                                                                                                                                                       |  | Email                                                                                            |  |                                                                                                    |  |
| TEAR HERE                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                  |  |                                                                                                    |  |
| XYZ LIMITED<br>BID REVISION FORM                                                                                                                                                                                                                                                                                                                                                                         |  | Acknowledgement of Syndicate Member / SCSB                                                       |  | Name of Sole / First Applicant                                                                     |  |
| Option 1 Option 2 Option 3                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                                  |  |                                                                                                    |  |
| No. of Equity Shares                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                                                                  |  |                                                                                                    |  |
| Bid Price                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                  |  |                                                                                                    |  |
| Additional Amount Paid (₹)                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                                  |  |                                                                                                    |  |
| Cheque / DD/ASBA Bank A/c No.                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
| Bank & Branch                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                  |  |                                                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | Acknowledgement Slip for Bidder                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                  |  | Bid cum<br>Application<br>Form No.                                                                 |  |

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision

Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

**4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, 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 members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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 RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 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 RIIs, 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 Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII 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 shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

**4.2.3 FIELD 6: PAYMENT DETAILS**

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. 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.
- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant 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 member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through

whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.
- (e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 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 may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

#### 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 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 to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 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 Issue 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 to Collection Bank(s) or 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 Issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids 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 Net Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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 ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

#### **4.3.5.1 Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the Escrow Collection Banks.
- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

#### **4.3.5.2 Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of

the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### 4.3.5.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

#### 4.3.5.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### 4.3.6 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/ REVISION FORM/APPLICATION 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                                                              |
|----------------------|-----------------------------------------------------------------------------------------------------|
| Non-ASBA Application | 1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form |
|                      | 2) To Registered Brokers                                                                            |

| Mode of Application | Submission of Bid cum Application Form                                                                                                                                                                |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ASBA Application    | <p>(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres</p> <p>(b) To the Designated branches of the SCSBs where the ASBA Account is maintained</p> |

- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) 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 Registrar of Companies (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.
- (d) 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 Issue, 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 ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) 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 Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

### **5.3 BUILD UP OF THE BOOK**

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs 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 BRLM at the end of the Bid/Issue 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/Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
  - i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
  - ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
  - iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
  - iv. With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the 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) BRLM 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, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### 5.5.1 **GROUND FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLM, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), 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, inter-alia, on the following grounds, 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; and
- (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/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) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/Application Form 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;
- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

- (p) Bids/Applications for a Bid/Application Amount of more than Rs. 200,000 by RIIs by applying through non-ASBA process;
- (q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted 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 Issue;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (z) 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 ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue 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 Retail category 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 BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. 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 Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 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 at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (Rs.) | Cumulative Quantity | Subscription |
|--------------|------------------|---------------------|--------------|
| 500          | 24               | 500                 | 16.67%       |
| 1,000        | 23               | 1,500               | 50.00%       |
| 1,500        | 22               | 3,000               | 100.00%      |
| 2,000        | 21               | 5,000               | 166.67%      |
| 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., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 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/Issue 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. RIIs, NIIs 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 Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs 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/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant

section the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors 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 Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs 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 RIIs 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 RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs 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 RIIs 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 RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (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 NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs 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 NIIs 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 ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category 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 Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category 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 Category, 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 Category; (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 Category, 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 subject to compliance with the following requirements:
  - i. not more than 30% 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 Rs. 10 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **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.
- (d) **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), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

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 (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (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 Issue.**

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 Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the

Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue Closing Date.

## **8.2 GROUND 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) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013 read with Rule 3(1)(c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees 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 fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 40 of the Companies Act read with Rule 3(1)(c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and as disclosed in the RHP/Prospectus.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive (i) the minimum subscription of 90% of the Issue within the Bid/Issue Period; and/or (ii) a subscription in the Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, the Issuer shall refund the entire subscription amount received, within period as prescribed under Regulation 14 of the SEBI ICDR Regulations. If there is a delay beyond prescribed period, our Company shall pay interest as prescribed under Rule 11 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum.

### **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 ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

## **8.3 MODE OF REFUND**

- (a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.

- (b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. 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 Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of Bids from Eligible NRIs and FIIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

### 8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (e) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (f) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' 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 Bidders/Applicants 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 Bidders/Applicants 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;
- (g) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (h) **RTGS**—Bidders/Applicants 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; and
- (i) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

### 8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

#### **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

### **SECTION 9: GLOSSARY AND ABBREVIATIONS**

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

| <b>Term</b>                                                          | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allotment/ Allot/ Allotted                                           | The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants                                                                                                                                                                                                                                                                                       |
| Allottee                                                             | An Bidder/Applicant to whom the Equity Shares are Allotted                                                                                                                                                                                                                                                                                                                  |
| Allotment Advice                                                     | Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges                                                                                                                                                                              |
| Anchor Investor                                                      | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.                                                                                                                                                                                                                   |
| Anchor Investor Portion                                              | Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the BRLM, 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 Form                                                     | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue                                                                                                                                                                                                                |
| Application Supported by Blocked Amount/ (ASBA)/ASBA                 | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB                                                                                                                                                                                |
| 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/Applicant                                                                                                                                                                                                                                              |
| ASBA Bid                                                             | A Bid made by an ASBA Bidder                                                                                                                                                                                                                                                                                                                                                |
| ASBA Bidder/Applicant                                                | Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA                                                                                                                                                                                                                                                                                                      |
| Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer                                                                                                                                                       |

| <b>Term</b>                                                     | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Basis of Allotment                                              | The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Bid                                                             | An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue 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 /Issue Closing Date                                         | The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, 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. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date                                                                                                                                              |
| Bid/Issue Opening Date                                          | The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, 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. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date                                                                                                                                                           |
| Bid/Issue Period                                                | Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period |
| Bid Amount                                                      | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant 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 form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form                                                                                                                       |
| Bidder/Applicant                                                | Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid 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/Applicant should be construed to mean an Bidder/Applicant                                                                                                                                                                                                                                           |
| Book Built Process/ Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Term                                                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Broker Centres                                         | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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 Issue 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 Friday (except public holidays)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| CAN/Confirmation of Allotment Note                     | The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange                                                                                                                                                                                                                                                                                                                                     |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Companies Act                                          | The Companies Act, 1956 or the Companies Act, 2013, as applicable or any other statutory amendment or re-enactment of each of such statutes                                                                                                                                                                                                                                                                                                                                                                                             |
| 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 RIIs, 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 the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>                                                                                                                                                                                                        |
| Designated Date                                        | The date on which funds are transferred by the Escrow Collection Bank(s) 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 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 Stock Exchange                              | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| <b>Term</b>                                              | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Discount                                                 | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.                                                                                                                                                                                                                                                                          |
| Draft Prospectus                                         | The draft prospectus filed with 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 ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. 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 Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid                                                                                                                                                                                 |
| Escrow Agreement                                         | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof |
| Escrow Collection Bank(s)                                | Refer to definition of Banker(s) to the Issue                                                                                                                                                                                                                                                                                                                                                       |
| 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                                                                                                                                                                                                                                                                                                      |
| FII(s)                                                   | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India                                                                                                                                                                                                                               |
| Fixed Price Issue/Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made                                                                                                                                                                                                                                                                                    |
| 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                                                                                                                                                                                                    |
| 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                                                    | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable                                                                                                                                                                                                                                                                                                              |
| Issuer/ Company                                          | The Issuer proposing the initial public offering/further public offering as applicable                                                                                                                                                                                                                                                                                                              |

| <b>Term</b>                         | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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)                                                                                                                                                                                             |
| Maximum RII Allottees               | The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs 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 Category (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 Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares                                                                                                                                                                                |
| NRO Account                         | Non-Resident Ordinary Account                                                                                                                                                                                                                                                                                                                                                                                        |
| Net Issue                           | The Issue less reservation portion                                                                                                                                                                                                                                                                                                                                                                                   |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)                                                                                                                                |
| Non-Institutional Category          | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form                                                                                                                                                                                                                        |
| Non-Resident                        | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI 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 for Sale                      | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder                                                                                                                                                                                                                                                                                 |
| Other Investors                     | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.                                                                                                                                   |

| Term                                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                    | Permanent Account Number allotted under the Income Tax Act, 1961                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 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 Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue 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 60 of the Companies Act, 1956 after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Public Issue Account                   | An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualified Foreign Investors or QFIs    | <p>Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet ‘know your client’ requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission’s Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies</p> |
| QIB Category                           | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| RTGS                                   | Real Time Gross Settlement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Red Herring Prospectus/ RHP            | The red herring prospectus issued in accordance with Section 32 of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue 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 (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| <b>Term</b>                                  | <b>Description</b>                                                                                                                                                                                                                                     |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Refund Bank(s)                               | Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer                                                                                                                                                           |
| Refunds through electronic transfer of funds | Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable                                                                                                                                                                                 |
| Registered Broker                            | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate                                                                                                                                 |
| Registrar to the Issue/RTI                   | The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form                                                                                                                                                             |
| Reserved Category/<br>Categories             | Categories of persons eligible for making application/bidding under reservation portion                                                                                                                                                                |
| Reservation Portion                          | The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009                                                                                                                        |
| Retail Individual Investors / RIIs           | Investors who applies or bids for a value of not more than Rs. 200,000.                                                                                                                                                                                |
| Retail Individual Shareholders               | Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.                                                                                                                                                          |
| Retail Category                              | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form                                | The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates 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 ICDR Regulations, 2009                  | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009                                                                                                                                            |
| Self Certified Syndicate Bank(s) or SCSB(s)  | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a> |
| 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 Issue 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 the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)                                                                                 |
| 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)                                                                                                                                                                                           |

| Term                   | Description                                                                                                                                                                                                                                                                                                               |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date                                                                                                                                                                                                                    |
| Working Day            | All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India |

**SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**  
**THE COMPANIES ACT 1956 AND THE COMPANIES ACT 2013**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF**  
**SNOWMAN LOGISTICS LIMITED**

1. Provisions contained in "Table F" of the First Schedule of the Act shall apply to the Company and in case of conflict between Table F and the Articles, the provisions of the Articles shall prevail and shall constitute the regulations of the Company.
2. Definitions and Interpretations
  - (a) Unless otherwise specified, the words or expressions contained in these Articles shall bear the same meaning as in the Act (defined hereinafter) at the time at which these Articles become binding on the Company.
    - (i) (Deleted pursuant to Special Resolution dated August 30, 2014);
    - (ii) The “**Act**” or the “**said Act**” means the Companies Act, 1956, as amended, modified or re-enacted by the Companies Act, 2013 and any other enactment from time to time;
    - (iii) “**Action Plan**” means the plan or plans developed by the Company setting out specific social and environmental measures to be undertaken by the Company;
    - (iv) “**Affiliate**” means with respect to any Person, any Person directly or indirectly Controlling, Controlled by or under common Control with that Person;
    - (v) (Deleted pursuant to Special Resolution dated August 30, 2014);
    - (vi) “**Alternate Director**” means a Person appointed to act for Director during his absence from a State in which the meetings of the Board are ordinarily held;
    - (vii) “**Annual General Meeting**” means a general meeting of Members held in accordance with the provisions of Section 96 of the Companies Act, 2013;
    - (viii) (Deleted pursuant to Special Resolution dated August 30, 2014);

- (ix) “**Applicable Law**” means all applicable statutes, enactments laws, ordinances, judgment, orders, directives, rules and regulations, by-laws, notifications, guidelines and policies of any Authority, including but not limited to, any license, permit or other governmental Authorization, in each case as in effect from time to time;
- (x) “**Applicable S&E Law**” means all applicable statutes, laws, ordinances, rules and regulations of the Country, including but not limited to any license, permit or other governmental Authorization, imposing liability or setting standards of conduct concerning any environmental, social, labour, health and safety or security risks;
- (xi) “**Article**” or “**Articles**” means these Articles of Association, as originally framed or as amended from time to time in accordance with the provisions of the Act;
- (xii) “**Authorisation**” means any consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors' and shareholders' approvals or consents;
- (xiii) “**Authority**” means any national, supranational, regional or local government or governmental, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank including a recognized stock exchange (or any Person, whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank, including the Reserve Bank of India);
- (xiv) “**Beneficial Owner(s)**” shall mean the beneficial owner(s) as defined in clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996, or any statutory modification or re-enactment thereof;
- (xv) “**Board of Directors**” or the “**Board**” means the Board of Directors for the time being of the Company;

- (xvi) **“Business Day”** means a day when banks in Bangalore and Delhi in India are open for business;
- (xvii) **“Business Plan”** means the business plan of the Company as may be determined by the Board from time to time;
- (xviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxiii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxv) **“Central Government”** means the Central Government of India;
- (xxvi) **“CEO”** shall have the meaning given to it in Article 153;
- (xxvii) **“Chairman”** means the chairman of the Board of Directors of the Company appointed from time to time in accordance with Article 130;
- (xxviii) **“Charter”** means the Memorandum of Association and the Articles of Association of the Company, as amended from time to time;
- (xxix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxx) **“Company”** means Snowman Logistics Limited a public limited company incorporated under the Act and having its registered office at Karnataka, which expression shall, unless it be repugnant to the context hereof, be deemed to include its successors in business);
- (xxxi) **“Company Offering”** means a public offering and sale of Shares or Share Equivalents for the Company's account or any offering of Shares or Share Equivalents, public or private, for the account of other security holders, including, but not limited to, (a) a QPO, and

- (b) an offering of Shares or Share Equivalents sponsored, placed or facilitated by the Company on behalf of such other security holders;
- (xxxii) **“Competing Business”** shall have the meaning given to it in Article 141;
- (xxxiii) **“Companies Rules”** shall mean the Companies (Central Government’s) General Rules and Forms, 1956;
- (xxxiv) **“Control”** means the possession, directly or indirectly, by a Person of the power to direct or cause the direction of the management and policies of another Person through the ownership of voting securities or otherwise; provided that the direct or indirect ownership of twenty-six per cent (26%) or more of the voting Share capital of a Person is deemed to constitute control of that Person terms “Controlling”, “Controlled”, “Controls” and / or related cognate expressions shall have meanings correlative to the foregoing;
- (xxxv) **“Country”** means the Republic of India;
- (xxxvi) **“Depository”** shall mean a Depository as defined under clause (e) of Sub-Section (1) of Section 2 of the Depository Act, 1996, or any statutory modification or re-enactment thereof;
- (xxxvii) **“Director”** means a director of the Company nominated and elected from time to time by the Board of Directors of the Company;
- (xxxviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xxxix) **“Dividend Policy”** means the policy governing the payment of dividends and other distributions set out in Article 145;
- (xl) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xli) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xlii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xliii) (Deleted pursuant to Special Resolution dated August 30, 2014);

- (xliv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xlv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xlvi) **“ERP”** means the enterprise resource planning software covering all the Operations of the Company;
- (xlvii) **“ESP”** has the meaning given to it in Article 154;
- (xlviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xlix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (l) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (li) **“Financial Year”** means the accounting year of the Company commencing each year on April 1 and ending on the following March 31, or such other period as the Company, from time to time designates as its accounting year;
- (lii) **“GDL”** means Gateway Distriparks Limited, a company incorporated under the Act and having its registered office at Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai 400 707, India, (which expression shall unless, it be repugnant to the context, be deemed to include its successors in business);
- (liii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (liv) **“GRFL”** shall have the meaning given to it in Article 141;
- (lv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lvi) **“IFC”** means International Finance Corporation an international organization established by articles of agreement among its member countries including India (which expression shall unless, it be repugnant to the context, be deemed to include its successors in business);
- (lvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lviii) (Deleted pursuant to Special Resolution dated August 30, 2014);

- (lix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxiii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxvi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lix) **“Independent Director”** shall have the meaning given to it under Clause 49 of the Listing Agreement;
- (lxx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxiii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxv) **“Japanese Partners”** shall mean collectively, MC, MLC and Nichirei and each, individually, “Japanese Partner”;
- (lxxvi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxxviii) **“Lien”** means any mortgage, pledge, charge (whether fixed or floating) encumbrance, assignment, hypothecation, security interest, title retention, preferential right, trust arrangement, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having

the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy or any preference of one creditor over another arising by operation of law;

(lxxix) (Deleted pursuant to Special Resolution dated August 30, 2014);

(lxxx) **“Listing Agreement”** means the agreement to be entered into between the Company and the stock exchange on which the Company’s Shares are listed;

(lxxxi) (Deleted pursuant to Special Resolution dated August 30, 2014).

(lxxxii) **“MC”** means Mitsubishi Corporation, a company organized under the laws of Japan and having its principal place of business at 3-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-8086, Japan, which expression shall, unless it be repugnant to the context, be deemed to include its successors in business);

(lxxxiii) (Deleted pursuant to Special Resolution dated August 30, 2014);

(lxxxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);

(lxxxv) (Deleted pursuant to Special Resolution dated August 30, 2014);

(lxxxvi) (Deleted pursuant to Special Resolution dated August 30, 2014);

(lxxxvii) **“Member”** means a holder, for the time being, of the Shares of the Company whose name and details of shareholding are entered in the Register of Members;

(lxxxviii) **“MLC”** means Mitsubishi Logistics Corporation, a company organized under the laws of Japan and having its principal place of business at Tokyo Dia Building, 28-25, Shinkawa 1-chome, Chuo-ku, Tokyo-104-0033, Japan, which expression shall, unless it be repugnant to the context, be deemed to include its successors in business);

(lxxxix) (Deleted pursuant to Special Resolution dated August 30, 2014);

(xc) (Deleted pursuant to Special Resolution dated August 30, 2014)

- (xci) **“New Securities”** means any Shares or Share Equivalents of the Company;
- (xcii) **“Nichirei”** means Nichirei Logistics Group Inc. a company organized under the laws of Japan and having its principal place of business at Sumitomofudosan Tsukiji Building 4F, 17-1, Tsukiji 7-Chome, Chuo-ku, Tokyo 104-0045, Japan, which expression shall, unless it be repugnant to the context, be deemed to include its successors in business);
- (xciii) **“Non Compete Obligations”** means those obligations set out in Articles 141 to 143;
- (xciv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xcv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xcvi) **“NVP”** means Norwest Venture Partners VII-A Mauritius, a company organized under the laws of the Republic of Mauritius (which expression shall unless, it be repugnant to the context, be deemed to include its successors in business);
- (xcvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xcviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (xcix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (c) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (ci) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (ciii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (civ) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cv)(Deleted pursuant to Special Resolution dated August 30, 2014);
- (cvi) (Deleted pursuant to Special Resolution dated August 30, 2014);

- (cvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxiii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxvi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxx) **“Operations”** means the operations, activities and facilities of the Company (including the design, construction, operations, maintenance, management and monitoring thereof as applicable) in the Country;
- (cxxi) **“Original Director”** shall have the meaning given to it in Article 120;
- (cxxii) **“Original Shareholders”** means collectively, GDL, MC, MLC and Nichirei and each, individually, an “Original Shareholder”;
- (cxxiii) **“Other Covenants”** means the covenants set out in Articles 155 to 157;
- (cxxiv) **“Parties”** means the parties to the SHA and “Party” means any one of them;

- (cxxv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxxvi) **“Person”** includes any natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity;
- (cxxvii) **“Pro-rata Share”** means the total number of issued and outstanding Shares and Share Equivalents, if any, held by the relevant Shareholder;
- (cxxviii) **“Prohibited Activity”** shall have the mean the following activities:
1. Production or activities involving harmful or exploitative forms of forced labor/harmful child labor. Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty. Harmful child labor means the employment of children that is economical exploitive, or is likely to be hazardous to, or to interfere with, the child’s education, or to be harmful to the child’s health, or physical, mental, spiritual, moral, or social development
  2. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
  3. Production or trade in weapons and munitions. These activities are prohibited only if a portfolio company is substantially involved in such activities, i.e. the activity is not considered ancillary to such portfolio company’s primary operations.
  4. Production or trade in alcoholic beverages (excluding beer and wine).
  5. Production or trade in tobacco.
  6. Gambling, casinos and equivalent enterprises.

7. Trade in wildlife or wildlife products regulated under Convention on International Trade in Endangered Species of Wild Fauna and Flora.
8. Production or trade in radioactive materials.
9. Production or trade in or use of unbonded asbestos fibers. This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is <20%.
10. Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest (prohibited by the Forestry policy).
11. Production or trade in products containing PCBs. PCBs: Polychlorinated biphenyls – a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.
12. Production or trade in pharmaceuticals subject to international phase outs or bans.
13. Production or trade in pesticides/herbicides subject to international phase out.
14. Production or trade in ozone depleting substances subject to international phase out. Ozone Depleting Substances (ODS): Chemical compounds which react with and deplete ozone, resulting in the widely publicized ‘ozone holes’. The Montreal Protocol lists ODSs and their target reduction and phase out dates.
15. Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
16. Knowingly provide or permit to be provided any product or services (or any text, pictures, graphics, sound, video, or other data in connection with any services) that:

17. infringe on any third party's copyright, patent, trademark, trade secret or other proprietary rights or rights or publicity of privacy;
  18. violate any law, statute, ordinance or regulation (including, without limitation, the laws and regulations governing export control);
  19. are defamatory, trade libelous, unlawfully threatening or harassing;
  20. are obscene or pornographic or contain child pornography;
  21. violate any laws regarding competition, privacy, anti-discrimination or false advertising;
  22. contain any viruses, Trojan horses, worms, time-bombs, cancel bots or other computer routines that are intended to damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or personal information;; or
  23. practice involving bribery, graft, kick-backs, facilitation payments or such other forms of improper business practices for the purposes of securing a business advantage, financial or otherwise, to which the Company is not otherwise entitled;
- (cxxix) **“Promoters”** means specific persons or entities deemed or acting as such under local law;
- (cxxx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxxxix) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxxxii) (Deleted pursuant to Special Resolution dated August 30, 2014) ;
- (cxxxiii) (Deleted pursuant to Special Resolution dated August 30, 2014).
- (cxxxiv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (lxiv) **“QPO”** means an underwritten initial public offering of Shares of the Company in accordance with Applicable Law;

- (cxxxv) **"Register of Members"** means the register of Members to be kept pursuant to the Act;
- (cxxxvi) **"Registrar"** means the Registrar of Companies of the State in which the Registered Office of the Company is, for the time being, situate;(Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxxxvii) **"Related To Any Promoter"** means (a) if the Promoter is a listed entity, its directors other; (b) if the Promoter is an unlisted entity, its directors, its employees or its nominees shall be deemed to be related to it;
- (cxxxviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxxxix) **"Retiring Director"** shall have the meaning given to it in Article 125;
- (cxl) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxli) **"S&EA Management System"** means the Company's social and environmental management system, including but not limited to the ISO 22000 certified Food Safety Management System, the ISO 14001 certified Environment, Management System, to be implemented in accordance with the schedule detailed in the Action Plan and the HR policies and procedures, enabling the Company to identify, assess and manage risks in respect of its Operations on an ongoing basis;
- (cxlii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxliii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cxliv) **"Seal"** means the Common Seal, for the time being, of the Company;
- (cxlv) **"Share Equivalents"** means preference Shares, bonds, loans, warrants, options or other similar instruments or securities which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe for or purchase, Shares of the Company convertible into or exercisable or exchangeable for Shares;

- (cxlvi) **“Shares”** means shares in the share capital of the Company, and includes stock except where a distinction between stock and shares is expressed or implied or any other type of share;
- (cxlvii) **“Shareholder(s)”** means an owner of Shares in the Company;
- (cxlviii) **“SHA”** means the Shareholders Agreement dated June 14, 2013 between IFC, NVP, GDL, MC, MCL, Nichirei, and the Company;
- (cxlix) **“Special Resolution”** and **“Ordinary Resolution”** shall have the meanings respectively assigned thereto by the provisions of the Act;
- (cl) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cli) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cliii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (cliv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clv) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clvi) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clvii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clviii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clix) **“Transfer”** means to transfer, sell, convey, assign, pledge, hypothecate, gift, create a security interest in or Lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily;
- (clx) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (clxi) (Deleted pursuant to Special Resolution dated August 30, 2014); and
- (clxii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (b) Any reference in these Articles to:-

- (i) Any gender. whether masculine, feminine or neuter, shall be deemed to be construed as referring to the other gender or genders, as the case may be;
  - (ii) Singular number be construed as referring to, the plural number and vice versa;
  - (iii) "Year" shall be the calendar year;
  - (iv) "Month" shall be the calendar month;
  - (v) The marginal notes and catch lines hereto shall not affect the construction or meaning hereof; and
  - (vi) Save as aforesaid, any words or expressions defined in the Act, but not defined in these Articles and not inconsistent with the subject or context, bear the same meaning herein as assigned to them respectively in the Act.
3. The provisions of these Articles shall be binding on the Company and all Members; and every Member shall be deemed to have become a Member on the foregoing basis.

## **SHARE CAPITAL**

4. The authorised capital of the Company is [Rs. 200 Crores (Rupees two Hundred Crores) divided into 20,00,00,000/- (Twenty Crores) Shares of Rs.10/- (Rupees Ten)] each with power for the Company to consolidate, convert, sub-divide, reduce or increase the capital and to issue any new Shares with any preferential or special rights and conditions attached thereto subject to the provisions of the Act.
5. (Deleted pursuant to Special Resolution dated August 30, 2014).
6. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 6A. (i) Where, at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:

- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
  - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right; and
  - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- (ii) Notwithstanding anything contained in sub-clause (i), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the company in general meeting, or
  - (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company;
- (iii) Nothing in sub-clause (c) of (i) hereof shall be deemed:
- a. To extend the time within which the offer should be accepted; or

- b. To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (iv) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
- a. To convert such debentures or loans into shares in the company; or
  - b. To subscribe for shares in the company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
  - (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.
7. Anytime after the listing of the Shares of the Company pursuant to an IPO, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting at) a General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a General Meeting by Special Resolution. Provided that until listing of the Shares of the Company pursuant to an IPO, the Company may issue debentures for such sum and on terms and conditions the Shareholders may agree from time to time provided that such debentures are issued only to the Shareholders, and if convertible (wholly or in part) to voting or preference capital the conversion shall be pro rata between the Shareholders such that the respective capital / economic interest of the Shareholders, and their respective voting rights, remain unchanged

8. (Deleted pursuant to Special Resolution dated August 30, 2014).
9. (Deleted pursuant to Special Resolution dated August 30, 2014).
10. (Deleted pursuant to Special Resolution dated August 30, 2014).

## SHARES

11. The Shares shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same, or any of them, to such persons in such proportion and on such terms and conditions and either, at premium or at par or (subject to the compliance with the provisions of Section 53 of the Companies Act, 2013) at discount and at such time as the Board thinks fit subject to the provisions of the Act, and these Articles. The Directors of the Company at such time as they may from time to time think fit, and with the sanction of the Company in a General Meeting, may give to person or persons the option or right to call for any shares either at a premium or at par during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call shares shall not be given to any person except with the sanction of the Company in a General Meeting.

12. Subject to the provisions, if any, of the Memorandum of Association of the Company and without prejudice to any special rights previously conferred on the holders of existing Shares of the Company and subject to the provisions of Clause 6 of Table F, Shares in the Company may be issued with such preferred or other special right or such restrictions whether in regard to dividend, return of share capital or others as the Company may from time to time by Special Resolution determine and any preference Shares may be issued as provided in Clause 8 of Table F.
13. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
14. Except as required by law, or ordered by a court of competent jurisdiction, no Person shall be recognised by the Company as holding any Share upon trust, and the

Company shall not be bound or required to recognise any equitable, contingent, future or partial interest in any Shares or (except only as by these presents otherwise expressly provided) any right whatsoever in respect of any Share other than an absolute right to the entirety thereof of the registered holder of that Share whose name appears in the Register of Members as the holder of Shares or whose name appears as the beneficial owner of shares in the records of the Depository. However nothing in this Article shall apply to any dematerialised Shares held through a Depository.

15. Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within three (3) months after allotment or within two (2) months after the receipt of application for the registration of Transfer (or within such other period as the conditions of issue shall provide), transmission or sub-division, consolidation or renewal of any of its shares as the case may be,
  - (I) one (1) or more certificates in marketable lots, for all his Shares without payment, for all the shares of each class or denomination registered in his name; or
  - (II) if the directors so approve, several certificates, each for one or more of his Shares, upon payment of such fee as the Directors so determine for every certificate after the first.
16. Every certificate shall be under the Seal and shall specify the number and distinctive numbers of Shares to which it relates and the amount paid-up thereon and shall be in such form as the directors may prescribe and approve. Where any Share or Shares are held jointly by several persons, the provisions of Article 17 below shall apply.
17. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
18. If any Share Certificate is old, worn out, defaced, mutilated or torn or if there is no further space on the back thereof for endorsement of transfer, then, upon production and surrender of the Share Certificate to the Company, a new Share Certificate may be issued in lieu thereof provided that no fee shall be charged for the issue of such new Share Certificates.

If any Share Certificate is lost or destroyed, then, upon proof thereof to the satisfaction of the Company, and on execution of such indemnity as the Company deem adequate,

being given on payment of such fee, not exceeding Rupees 2, as the Directors may prescribe, a new Share Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Share Certificate.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of Articles 15 to 18 shall *mutatis mutandis* apply to debentures of the Company.

## **DEMATERIALISATION**

19. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / rematerialise its Shares, or any other securities it issues, and offer such Shares in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder.
20. The Company shall procure that all Shares held by a Depository shall be dematerialised and fungible. Nothing contained in Section 89 of the Companies Act, 2013 shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.
21. If a Shareholder opts to hold his Shares with a Depository, the Company shall intimate the details of allotment of the Shares to the Depository.
22. Where Shares are held through a Depository, the Company shall recognise records of beneficial ownership received from the Depository on the Company by means that may be prescribed by law from time to time.
23. Subject to Applicable Law and at the request of the beneficial owner of dematerialised Shares the Company shall re-materialise Shares which have been dematerialised and issue the required Share certificate.
24. Nothing contained in the Act or these Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

25. The Depository concerned shall be deemed to be the registered owner for the purposes of effecting any Transfer of ownership of Shares on behalf of the beneficial owners. However the Depository shall not have any voting rights or any other rights in respect of Shares held by it.
26. Every Person holding Shares of the Company whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such Shares and concomitantly shall be deemed to be a Member responsible for any and all liabilities in respect of the Shares.
27. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a Transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository and no instrument of transfer would be required.

#### **CALLS ON SHARES AND FOREFEITURE**

28. The Board may, from time to time, make calls upon the Members in respect of any moneys unpaid on their Shares (whether on account of the/ nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one (1) month from the date fixed for the payment of the last preceding call.
29. Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
30. A call may be revoked or postponed at the discretion of the Board.
31. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
32. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
33. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at five per cent per annum or at such lower rate, if any, as the Board may determine.

34. The Board shall be at liberty to waive payment of any such interest wholly or in part.
35. Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
36. The Board-
- (i) may, if it thinks fit, subject to provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him beyond the sums actually called for; and
  - (ii) upon all or any of the moneys so advanced, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may (until the same would, but for such advance, become presently payable) pay interest at such rate as the members paying such sum, in advance, and the Directors agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

37. If any Member fails to pay calls or instalments of calls on the day appointed for payment or any extension thereof as aforesaid the Directors may at any time thereafter serve a notice on him requiring him to pay the call with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall name a further day (not earlier than expiration of fourteen (14) days from the date of service of notice) and a place or places on and at which such call or instalment and such interest thereon at such rate as the 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 non-payment at or before the time appointed, the same in respect of which the call was made would be liable to be forfeited.

38. If the requirements of any notice are not complied with by a Member, any Share of such Member, in respect of which a notice on him 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 resolution of the Board of Directors to that effect. Such forfeiture shall include in the case of Shares, all dividends declared or any other money payable in respect of the forfeited Shares or debentures and not actually paid before the forfeiture.
39. When any Share or debenture has been so forfeited, notice of the forfeiture shall be given to the Member or debenture holder 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 or register of debenture holders 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.
40. A forfeited or surrendered Share shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of on such terms and in such manner as the Board may unanimously decide and at any time before a sale or disposal of the forfeiture may be cancelled.
41. The provisions of the Articles shall *mutatis mutandis* apply to the calls on and forfeiture of debentures of the Company.
42. (Deleted pursuant to Special Resolution dated August 30, 2014).
43. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 43A. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **LIEN**

44. (i) The Company shall have a first and paramount lien which shall extend also to all dividends payable thereon:-
- (a) On every Share / debentures (other than fully paid up Shares) registered in the name of each member (whether solely or jointly with others), and upon proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of the Share / debentures and no equitable interest in any Share shall be created except upon the footing and condition that these Articles shall have full effect.

- (b) On all Shares standing registered in the name of a single Person for all moneys presently payable by him or his estate to the Company.
- (ii) Unless otherwise agreed, the registration of a transfer of Shares / Debentures shall operate as a waiver of the Company's lien, if any, on such Shares / Debentures;
- (iii) The Directors may, at any time, declare any Shares / Debentures, wholly or in part to be exempt from the provisions of this clause.
- (iv) Fully paid Shares shall be free from all lien and that in the case of partly paid Shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

## **TRANSFER AND TRANSMISSION**

- 45. Subject to the provisions of the Act, and these Articles a Member may, at any time, Transfer all or any part of the Shares held by him, to any Person.
- 46. The instrument of transfer of any Share shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 shall be duly complied with in respect of all transfer of Shares and registration thereof.
- 47. In the case of Transfer or transmission of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
- 48. The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. A common form of transfer shall be used.
- 49. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof.
- 50. Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse, whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company.

51. The Board may also decline to recognize any instrument of transfer unless.
- (i) 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
  - (ii) the instrument of transfer is in respect of only one class of Shares.
- 51A. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the issuer on any account whatsoever except where the Company has a lien on the Shares.
- 51B. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.
52. Subject to the provisions of Section 91 of the Companies Act, 2013, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
53. No fee shall be charged for registration of transfer, transmission, probate, succession certificate, letters of administration, certificate of death or marriage, power of attorney, or other similar instrument.
54. On the death of a Member, the survivor or survivors where the Member was a joint holder, and his legal representatives where he was a sole holder, shall be only persons recognised by the Company as having any title to his interest in the Shares. Nothing in this Article 54 shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons.
55. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- (i) to be registered himself as holder of the Share; or

- (ii) to make such transfer of the Share as the deceased or insolvent Member could have made.
  - (iii) 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.
- 56. If the Person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- 57. If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- 58. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
- 59. A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.
- 60. The Company may, by Ordinary Resolution,
  - (i) convert any paid-up Shares into stock; and
  - (ii) reconvert any stock into paid-up Shares of any denomination.
- 61. The holders of stock may Transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the

minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

62. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.
63. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up Shares shall apply to stock and the words "Share" and "Shareholder" in those regulations shall include "stock" and "stock holder" respectively.
64. The bearer of a share warrant may at any time deposit the share warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Shares included in the deposited warrant. Provided that
  - (i) Not more than one Person shall be recognized as depositor of the share warrant.
  - (ii) The Company shall, on two (2) day's written notice, return the deposited where warrant to the depositor.
65. Subject as herein otherwise expressly provided, no Person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.
66. The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Shares included in the share warrant, and he shall be a Member of the Company.

67. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
68. The Company may, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by Applicable Law,-
- (i) its Share capital;
  - (ii) any capital redemption reserve account; or
  - (iii) any share premium account.
69. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **PREEMPTIVE RIGHT**

70. (i) Unless otherwise determined by the Company in a general meeting by a Special Resolution of its Shareholders, all Shareholders shall have the right to subscribe their Pro-rata Share of New Securities.
- (ii) If the Company proposes to issue New Securities, it shall give the Shareholders written notice of its intention, describing the New Securities, their price, and their general terms of issuance, and specifying each Shareholder's Pro-rata Share of such issuance. Each Shareholder shall have thirty (30) days after any such notice is mailed or delivered to agree to subscribe up to its Pro-rata Share of the New Securities for the price and on the terms specified in such notice.
71. (Deleted pursuant to Special Resolution dated August 30, 2014).
72. (Deleted pursuant to Special Resolution dated August 30, 2014).
73. (Deleted pursuant to Special Resolution dated August 30, 2014).
74. (Deleted pursuant to Special Resolution dated August 30, 2014).
75. (Deleted pursuant to Special Resolution dated August 30, 2014).
76. (Deleted pursuant to Special Resolution dated August 30, 2014)
- 76A. (Deleted pursuant to Special Resolution dated August 30, 2014).

## **OFFERING RIGHTS**

- 77. Subject to Applicable Law, the Company may undertake a Company Offering.
- 78. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 79. If the Company lists its Shares on any securities exchange or other trading market, the Company shall, to the fullest extent permitted by Applicable Law, take all such actions as may be necessary or appropriate to list all Shares, or Shares issued or issuable in respect of Share Equivalents, if any, such that such Shares will be freely tradable on such market.
- 80. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 81. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 82. Subject to Applicable Law, IFC and NVP and their respective officers and Directors shall not be liable for any loss, claim or liability (or any actions, proceedings or settlements in respect thereof) arising out of or based on: (i) any untrue statement of a material fact contained in any prospectus, offering circular, or other offering document issued in relation to a Company Offering or an initial public offering; (ii) any failure to state therein a material fact necessary to make the statements therein not misleading; or (iii) any violation of Applicable Law (including but not limited to, securities laws and exchange requirements applicable to such Company Offering or an initial public offering.
- 83. The Parties agree that IFC, the Japanese Partners and/or NVP shall not be deemed to be a Promoter of the Company for the purpose of any Company Offering and the Shares and Share Equivalents, if any, held by IFC, the Japanese Partners and/or NVP shall not be subject to any statutory or regulatory moratorium imposed in connection with such Company Offering. The Company and the Promoters shall at their own cost make any and all applications to statutory and regulatory Authorities that may be required to obtain any necessary Authorization or exemption.
- 84. (Deleted pursuant to Special Resolution dated August 30, 2014).

## **IFC EXIT**

- 85. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 86. (Deleted pursuant to Special Resolution dated August 30, 2014).

- 87. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 88. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 89. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 90. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 91. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 92. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 93. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 94. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95A. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95B. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95C. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95D. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95E. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95F. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95G. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95H. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 95I. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 96. The Company shall keep a book, to be called the "Register of Transfers and Transmissions", and therein shall be fairly and distinctly entered the particulars of every transfer and transmission of Shares.
- 97. Only fully paid Shares or debentures shall be transferred to a minor, acting through his/her legal or natural guardian. Under no circumstances, Shares or debentures be transferred to any insolvent or a Person of unsound mind.

98. The provisions of these Articles shall *mutatis mutandis* apply to the transfer or transmission by operation of law, of debentures of the Company.

## **GENERAL MEETING**

99. Not less than twenty-one (21) days prior written notice of all general meetings shall be given to the Shareholders of the Company at their respective addresses notified by them to the Company in writing.
100. An agenda setting out the business proposed to be transacted at a general meeting shall be circulated by the Company to each Shareholder at least twenty-one (21) days prior to the date of the general meeting. However, General Meetings may be convened at a shorter notice with the consent of not less than ninety-five per cent of the shareholders entitled to vote at such meeting in writing or through electronic mode in accordance with the Act and the rules framed thereunder. No business shall be transacted at any general meeting duly convened and held other than that specified in the notice without the prior consent of Shareholders holding a majority of the Shares then outstanding.
101. The Board shall provide the Company's previous Financial Year's audited financial statements to all Shareholders at least thirty (30) days before the Annual General Meeting is held to approve and adopt such audited financial statements.
102. The quorum for a General Meeting shall not be less than six (6) Shareholders, personally present and holding a majority of the Shares then outstanding.
103. In the absence of a valid quorum at a general meeting, duly convened and held, the meeting shall be adjourned to the same time or place not earlier than ten (10) days but no later than twenty-one (21) days thereafter as the Chairman may determine.

## **CONSENT RIGHTS**

104. (Deleted pursuant to Special Resolution dated August 30, 2014)
105. Decisions and actions relating to the approval or amendment to the Business Plan or budget of the Company shall not be taken and/or implemented by the Company at any meeting of the Board or a committee thereof or by resolution by circulation without the prior written consent or affirmative vote of the holders of at least seventy five percent (75%) of the total number of Directors on the Board.

- 105A. (Deleted pursuant to Special Resolution dated August 30, 2014)
106. (Deleted pursuant to Special Resolution dated August 30, 2014).
107. (Deleted pursuant to Special Resolution dated August 30, 2014).
108. (Deleted pursuant to Special Resolution dated August 30, 2014).
109. (Deleted pursuant to Special Resolution dated August 30, 2014).
110. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 110A. (Deleted pursuant to Special Resolution dated August 30, 2014).
111. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **POLICY COVENANT**

112. The Company shall:
- (i) undertake its Operations at all times in compliance with Applicable S&E Law and the Action Plan;
  - (ii) ensure the implementation and continuing operation of the S&E Management System;
  - (iii) not amend the Action Plan;
  - (iv) not undertake or invest in any Person engaged in any Prohibited Activity.

113. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 113A. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 113B. (Deleted pursuant to Special Resolution dated August 30, 2014).
- 113C. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **AFFIRMATIVE COVENANTS**

114. The Company hereby covenants and agrees to:
- (i) undertake its business, activities and investments in compliance with Applicable Law;

- (ii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (iii) (Deleted pursuant to Special Resolution dated August 30, 2014);
- (iv) obtain and maintain such insurance policies as are customarily required for the Company's business;
- (v) appoint a reputed consultant to suggest ways of further strengthening systems, including management information systems and thereafter implement their recommendations; and
- (vi) upgrade its financial systems (including accounting package), put into place and maintain a suitable ERP package.

## **DIRECTORS**

115. The number of Directors comprising the Board shall not be more than fifteen (15), of which, at least fifty per cent shall be non executive directors. Where the Chairman of the Board is a non-executive director, at least one-third of the Board shall comprise of Independent Directors and in case he is an executive director, at least half of the Board shall comprise of Independent Directors.

Provided that where the non-executive Chairman is a promoter of the Company or is related to any Promoter occupying management positions at the Board level or at one level below the Board, at least one-half of the Board shall consist of Independent Directors.

116. (Deleted pursuant to Special Resolution dated August 30, 2014)

117. (Deleted pursuant to Special Resolution dated August 30, 2014)

- 117A. (Deleted pursuant to Special Resolution dated August 30, 2014)

118. The Members shall take all necessary steps to ensure that the Persons nominated for appointment to the Board shall be promptly appointed on such nomination being made.

119. (Deleted pursuant to Special Resolution dated August 30, 2014).

120. Upon the request and nomination of any of the Shareholders, the Board shall as soon as reasonably possible appoint such person nominated as alternate Director to act in

place of the existing Director nominated by such Shareholder (“**Original Director**”). In the event such alternate Director ceases to hold office or such nominating Shareholder wishes to replace such alternate Director, the Board shall as soon as reasonably possible do all things required to effect such appointment, re-appointment or replacement. Such alternative Director shall be entitled, while holding office as such, to:

- (i) receive notices of meetings of the Board or committee of the Board to which such Director has been appointed;
- (ii) attend and vote as a Director at such meetings of the Board or such committee of which the Original Director is a member; and
- (iii) generally exercise all the powers, rights, duties and authorities and to perform all functions of the Original Director. Further, such alternate Director shall be entitled to exercise the vote of the Original Director at any meeting of the Board or any such committee.

121. The Board shall ensure that at all times:

- (i) the audit committee and
- (ii) the compensation committee

shall comprise of such number of Independent Directors as required under Listing Agreement.

122. (Deleted pursuant to Special Resolution dated August 30, 2014).

123. (Deleted pursuant to Special Resolution dated August 30, 2014)

124. (Deleted pursuant to Special Resolution dated August 30, 2014).

125. Each of the Shareholder’s nominating a Director may require the removal of their respective Directors at any time and shall be entitled, subject to Articles 115, 118 and 120, to nominate another Person as their respective Director in place of any of their respective Director so removed, and all the Shareholders shall exercise their voting and consent rights in such manner so as to cause the election of such other Director nominated by such nominating Shareholder. In the event of the resignation, retirement or vacation of office of any of the Directors (the “**Retiring Director**”), such Shareholder who nominated the Retiring Director shall be entitled, subject to

Articles 115, 118 and 120, to nominate another person as its Director in place of such Retiring Director and the Shareholder entitled to nominate the Director (as the case may be) shall exercise its rights in such manner so as to cause such election.

125A. (Deleted pursuant to Special Resolution dated August 30, 2014).

126. The quorum for any meeting of the Board, duly convened and held, shall be at least one third of the total strength of the Board. The Board may, subject to Applicable Law, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
127. In the absence of a valid quorum at a meeting of the Board, duly convened, the meeting shall be adjourned to the same day in the following week at the same time and place or to such other later date, time and place as the Directors may determine, but in no event later than twenty-one (21) days thereafter.
128. Subject to Applicable Law, any Director shall be entitled to participate in a meeting of the Board in which he or she is not physically present, by telephone or video conference or similar electronic means and the Chairman of such meeting shall record such Director's observations in the minutes of such meeting. Such Director shall not be entitled to vote and his presence shall not be considered for the purpose of quorum. An Original Director shall also be entitled to be present at a meeting of the Board through telephone or video conference or similar electronic means even though his alternate Director is present personally.
129. No resolution shall be deemed to have been duly passed by the Board or a committee by circulation or written consent, unless the resolution has been circulated in draft, together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, to all Directors or to all members of the committee, and to all other Directors (including Directors resident abroad) or members at their usual address, and has, subject to the provisions of Articles 84, 105 and 126 to 128, been approved in writing by a majority of such of them as are entitled to vote on the resolution.
130. The Board shall appoint a Chairman of the Board (**Chairman**). The Chairman shall preside at all meetings of the Board or any committees where he is a member and at

all General Meetings. The Chairman shall not have a casting or second vote at any meeting of the Board or any committee in the event of an equality of votes. In the event of the Chairman not being present at any such meetings, the Directors present, may choose one (1) among themselves to be the Chairman and such nominated Director shall preside over the meeting as the Chairman.

131. The Board shall meet at least once every quarter of each Financial Year subject to an annual schedule and confirmation of the date of the next Board meeting at the previous Board meeting. Meetings of the Board shall be in Bangalore or at such other place as may be reasonably determined by the Board of Directors. A Director may, and the company secretary of the Company shall, on the requisition of such Director, call a meeting of the Board. In the event a Director is not present at any meeting of the Board, the Board shall be obligated to grant such Director leave of absence.
132. Written notice of each meeting of the Board or a committee shall be given to the Directors, and their alternates, if any, at the address notified from time to time by the Directors, and their alternates, at least fourteen (14) days in advance of such meeting. Unless any Director (acting reasonably and in good faith) deems that circumstances exist which require a meeting to be convened on shorter notice, such Director may instruct the company secretary of the Company to call a meeting of the Board as aforesaid by giving not less than seven (7) Business Days notice of such meeting.
133. Notice of any Board meeting to Directors resident outside India shall be given in writing by facsimile and a confirmation copy of internationally recognized courier and a copy of such notice shall also be served at the address within India specified by such Directors in writing to the Company and sent additionally by email to such Director at the email address of such Director, as communicated by such Director to the Company.
134. An agenda setting out in detail the items of business proposed to be transacted at a meeting of the Board or committee together with necessary information and supporting documents shall be circulated to each of the Directors, and their respective alternates in accordance with the provisions of Article 132 above. Unless otherwise agreed by each of the Directors at any meeting of the Board, no resolution relating to any other business may be proposed or passed at any Board meeting unless the nature of the business is specified in the agenda accompanying the notice for the meeting.

135. Unless unanimous resolutions of the Board are required by law, the decision of the Board shall be made by way of resolutions passed by a majority of the Directors present at the meeting.
136. The Company shall indemnify its Directors to the maximum extent permitted under Applicable Law. The Company shall obtain and maintain directors' and officers' liability insurance cover for its directors.
137. Each Director shall be entitled to a sitting fee, in accordance with the applicable law, /- for attending each meeting of the Board of Directors and shall also be entitled with the sanction of the Board in that behalf:-
- (a) To all travelling, hotel and other reasonable expenses properly incurred by him for attending returning from meetings of the Directors or any Committee of Directors or any general meeting of the Company in connection with the Company's business; and
  - (b) To additional payment for any extra work or service done by him for the Company.
138. A Director need not hold any qualification Share in the Company.

## **POWER OF DIRECTORS**

139. The business of the Company shall be managed by the Directors who may pay expenses incurred in getting the Company registered and may exercise all such powers of the Company as are not, by the Act or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the Company in general meeting subject nevertheless to any regulation of these Articles, to the provisions of the Act and to such regulations being not inconsistent which the aforesaid regulations, as may be prescribed by the Company in general meeting. But no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
140. In furtherance of and without prejudice to the general powers conferred by or implied in the immediately preceding Articles and other powers conferred by these Articles. It is hereby declared that the Directors shall be competent to carry out all such object set forth in the Memorandum of Association as may lawfully be carried out by them and to do the following acts and things.

- (i) Subject to the provision of the Act and these Articles in so far they apply, to appoint, remove or suspend any managers, secretaries, clerks, agents or servants and to direct and control them and fix any pay as their remuneration;
- (ii) To enter into negotiation and agreements or contracts (preliminary, conditional, final) and to give effect to modify, vary or rescind the same, and if necessary to bind the Company in penalties for the due performance of any such contracts;
- (iii) To exercise the borrowing powers of the Company subject to the provisions of the Act and secure the repayment of any sum or sums so borrowed or raised in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, debentures or debenture stock or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being;
- (iv) To appoint agents and attorneys for the Company in this country or abroad with such powers (including powers to substitute) as may be thought fit, and to provide if necessary, for the management of the affairs of the Company abroad by any other Company or any firm or Person;
- (v) To give award or allow any pension, gratuity, benefit or compensation to any employee of the Company or his widow, children, relatives, or dependants, that may appear to the Directors just or proper. Whether such employees or other recipient has or has not a legal claim upon the Company and to make any contribution to any charitable or public purpose, subject to the provisions of Section 182 and 183 of the Companies Act, 2013;
- (vi) To commence and carry on, or defend, abandon, or compromise any legal proceedings bankruptcy, on behalf of or concerning the Company or any of its Directors or officers or to refer any claims or demands by or against the Company to arbitration and observe and perform the awards and to accept compensations from or give time to any debtor or contributors owing money or alleged to owe money to the Company provided such debtor be not a Director of the Company in which case no remission shall be made without the consent of the Company in general meeting;

- (vii) To engage or appoints solicitors, advocates, attorneys or law agents for the above purposes or for generally protecting or assisting to carry on the business of the Company on such terms as they may consider proper and from time to time to revoke such appointments;
- (viii) To give receipts, releases and discharges on behalf of the Company;
- (ix) To invest and deal with any of the moneys of the Company, not immediately required for the purpose of the business in such manner as they may think fit and to vary such investments or realise the amounts invested therein;
- (x) To open on behalf of the Company any account or accounts within such bank or banks as they may select or appoint and authorise by such persons as they may appoint to draw, accept, make endorse, sign and execute cheques, bills of exchange and promissory notes, bills of lading, receipts, contracts and agreements, bonds, mortgages, proxies and other documents on behalf of and to further the interest of the Company;
- (xi) To give indemnities to any Director or other Person who has undertaken or is about to undertake any liability on behalf of the of the Company and to secure such Director or other Person against loss by giving him a mortgage or charge upon the whole or any part of the property of the Company by way of security;
- (xii) To remunerate any Person rendering service to the Company whether in its regular employment or not, in such manner as may seem fit, whether by cash, salary, bonus or Shares or debentures or by a commission or Share of profit either in any particular transaction or generally or however otherwise;
- (xiii) To fix the financial year of the Company;
- (xiv) To appoint any Person or persons to hold in trust for the Company property belonging to the Company or in which it is interested or for any other purpose and to execute all such things as may be necessary or requisite in relation to any such trust;
- (xv) And if so determined by the Board, the authority of any one Director shall be sufficient for the institution, conduct, defence, compromise or a abandonment of any legal proceedings of any kind by or against the Company and anyone Director shall have power to execute and sign on behalf of the Company and

without using the seal of the Company, retainers, warrants, power of attorney, vakalatnamas, and any other form or forms of authority to solicitors, advocates and all other Person for any purpose and any one Director may attend and vote on behalf of the Company at any meeting of creditors or other meetings and also any one Director may appear or attend before any registrar of Documents or other official and acknowledge on the Company's behalf (without any necessity of using the Company's seal) the execution of any deed or document which may be executed by the Company and require registration.

## **NON COMPETE**

141. GDL shall not undertake, and shall procure that its Affiliates do not undertake, any business activity related to temperature controlled logistics including but not limited to storage, transportation by road and distribution of any products requiring a temperature controlled environment in the Country ("**Competing Business**") other than through the Company; provided, however, that such restriction shall not apply to: (i) the business of transportation of goods by Gateway Rail Freight Limited ("**GRFL**") by refrigerated container trains; and (ii) any activity undertaken by GDL and/or GRFL and/or any of their respective Affiliates that is incidental to their respective businesses subject to a maximum aggregate capacity of 2,500 (Two Thousand Five Hundred) pallets located in a container freight station or inland container depot.
142. MC agrees that its Logistics Services Division of Industrial Finance, Logistics & Development Group shall not undertake Competing Business for a period of three (3) years from the date of signing the SHA, provided however that MC shall continue to be subject to the restrictions in this Section until March 31, 2016 or the QPO, whichever is earlier, if the Japanese Partners jointly hold at least twenty five percent (25%) shareholding in the Company and/or MC continues to nominate a Director to the Board of the Company.
143. Each of GDL and MC acknowledge and agree that the covenant and obligation with respect to the non-compete obligation as set forth above relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations will cause IFC and the Company irreparable injury. Therefore, the each of GDL and MC agree that IFC and/or the Company shall be entitled to an interim injunction, restraining order or such other equitable relief as a court of competent

jurisdiction may deem necessary or appropriate to restrain such Original Shareholder from committing any violation of the covenants and obligations contained in this Article. These injunctive remedies are cumulative and are in addition to any other rights and remedies, IFC and/or the Company may have at law or in equity.

## **SEAL**

144. The Board shall provide for the safe custody of the common seal of the Company which shall not be affixed to any instrument except on the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence and under the signature of at least one Director and authorised signatory.

## **DIVIDEND POLICY**

145. The Company has formally adopted a policy governing the payment of dividends and other distributions to its shareholders in its Charter providing for payment of dividend in accordance with the Act where (i) retained earnings are not needed for the expansion of the existing business or the acquisition of new business of the Company; (ii) cash is available to make such distributions without the assumption of debts; and (iii) such distribution or profit will not lead to a need of a capital increase.
- 145A. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called “\_\_\_\_\_ Unpaid Dividend Account”.
- 145B. The Company shall transfer, any money transferred to the Unpaid Dividend Account of a Company, which remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under the Act.
- 145C. The Board shall forfeit no unclaimed or unpaid dividend

## **ACCOUNTS**

146. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of

the Company, or any of them, shall be open to the inspection of Members not being Directors.

147. No Member (not being a Director) shall have any right of inspecting any accounts or books or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting or otherwise as provided in these Articles.

## **AUDIT**

148. At least once in every year the accounts of the Company shall be examined and the correctness of the balance sheet as ascertained by one or more auditors (appointed under Section 139 of the Companies Act, 2013).
149. The Board may fill any casual vacancy in the office of an auditor except of the one caused by the resignation of the auditor, of which shall be filled by the Company in general meeting.
150. The remuneration of the auditor shall be fixed by the Company in general meeting except for the remuneration of an auditor appointed by the Board, which may be fixed by the Board.
151. The auditors of the Company shall be appointed in accordance with the provisions of the Act.
152. An annual statutory audit of the books of account, records and affairs of the Company for each year immediately following the close of the fiscal year shall be made. A signed copy of the statutory audit report shall be provided to each member of the Board. The statutory audit shall be at the expense of the Company.

## **MANAGEMENT**

153. The Company shall have a chief executive officer (“CEO”). The CEO shall be vested with the day to day responsibility and discretion for managing the business and operations of the Company within the scope of the Business Plan and the authority conferred on him by the Board.

## **ESP**

154. Subject to Applicable Law, the Company may establish an employee stock plan (the “ESP”) in order to attract talented employees, consultants and directors for the Company.

#### **OTHER COVENANTS**

155. (Deleted pursuant to Special Resolution dated August 30, 2014).  
156. (Deleted pursuant to Special Resolution dated August 30, 2014).  
157. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **LISTING**

- 157A. (Deleted pursuant to Special Resolution dated August 30, 2014).

#### **SECRECY**

158. Except as allowed by the Act or any other law or these Articles no Member shall be entitled to visit or inspect the Company's properties or premises without the permission of the Board of Directors or the managing director or the manager as the case may be or to acquire, discovery of or any information regarding any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the Company's business and which in the opinion of the Board of Directors or managing director it will be inexpedient in the interest of Members of the Company to communicate to the public.

#### **INDEMNITY AND RESPONSIBILITY**

159. Save and except so far as the provisions of this Article shall be avoided by Section 197 of the Companies Act, 2013, the Board of Directors, Managing Director, managers, secretary, and other officers or other employees / servants for the time being of the any, 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 and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trust, except such, if any as they shall incur or sustain through or by their own willful neglect or default respectively.
160. None of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them, or for joining in any receipt for the sake of conformity, or for any bankers or other Person 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 the same shall happen by or through their own willful dishonesty, neglect or default respectively.

#### **WINDING UP**

161. (i) Subject to the provisions of these Articles, if the Company shall be wound up, the liquidator, may with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
162. (i) For the purpose as aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may be determined how such division shall be carried out as between the Members or different classes of Members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributors as the liquidator, with the like sanction shall think fit, but so that no Member shall be compelled to accept any Shares of other securities whereon there is any liability.

#### **GENERAL POWER**

163. Wherever in the Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this regulation hereto authorizes and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following 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 the Red Herring Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, were available for inspected inspection at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Bid/Issue Opening Date until the Bid/Issue Closing Date.

#### *Material contracts to the Issue*

1. Issue Agreement entered into between our Company and the Book Running Lead Manager dated August 29, 2013;
2. Agreement entered into between our Company and the Registrar to the Issue dated August 29, 2013;
3. Escrow Agreement dated August 7, 2014 between our Company, the Book Running Lead Manager, the Syndicate Member, the Escrow Collection Banks and the Registrar to the Issue;
4. Syndicate Agreement dated August 7, 2014 between our Company, the Book Running Lead Manager and the Syndicate Member;
5. Underwriting Agreement dated August 30, 2014 between our Company, the Book Running Lead Manager and the Syndicate Member.

#### *Material Documents*

1. Our Memorandum and Articles of Association, as amended from time to time;
2. Our certificate of incorporation dated March 17, 1993;
3. Our Certificate of commencement of business dated May 31, 1993;
4. Resolution of our Board of Directors dated August 1, 2013 authorising the Issue;
5. Resolution of our shareholders dated August 5, 2013 authorising the Issue;
6. Resolution of our IPO Committee Board of Directors dated August 29, 2013, approving the Draft Red Herring Prospectus;
7. Final observation letter SRO/DIL/5569/2014 dated February 21, 2014, from the Securities and Exchange Board of India;
8. Resolution of our Board of Directors dated August 7, 2014, approving the Red Herring Prospectus;
9. Resolution of our Board of Directors dated August 30, 2014 approving the Prospectus;
10. Report of our Statutory Auditors, Price Waterhouse, Chartered Accountants, on our Company's Restated Financial Information as of and for the Financial Years 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014 dated May 16, 2014 including their consent;
11. Annual Reports of our Company for the past five financial years;
12. Statement of Tax Benefits dated August 6, 2014 prepared by V. Kiranmayi, Chartered Accountants;
13. Consents of the Bankers to our Company, Bankers to the Issue, Book Running Lead Manager, Registrar to the Issue, the Statutory Auditors, Legal Counsel to our Company, Legal Counsel to the BRLM, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities. Consent of the Syndicate Member, Escrow Collection Banks, Refund Bank and IPO Grading Agency.

14. Copy of the report prepared by Ernst & Young LLP, '*The Temperature Controlled Logistics Industry in India*';
15. Consent from Ernst & Young LLP to include excerpts from its report '*The Temperature Controlled Logistics Industry in India*' in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus;
16. Resolution of our Board of Directors dated September 30, 2009 appointing Mr. Kannan Ravindran Naidu as the Wholetime Director;
17. Letter of appointment dated January 4, 2007 appointing Mr. Kannan Ravindran Naidu as the CEO of our Company, as revised by the letter dated March 5, 2014;
18. Resolution of our Board of directors dated September 30, 2009 appointing Mr. Kannan Ravindran Naidu as an additional director;
19. Resolution of the shareholders dated September 16, 2010 appointing Mr. Kannan Ravindran Naidu as a whole time director;
20. Due diligence certificate dated August 29, 2013 issued to SEBI by the Book Running Lead Manager;
21. In-principle listing approval dated October 11, 2013 and September 27, 2013 from the BSE and the NSE, respectively;
22. Agreement between NSDL, our Company and the Registrar to the Issue dated July 27, 2012;
23. Agreement between CSDL, our Company and the Registrar to the Issue dated June 26, 2013;
24. The IPO Grading Report by CRISIL Limited dated March 10, 2014 and the grading revalidation letter dated July 8, 2014;
25. The Amended and Restated Shareholders' Agreement dated June 14, 2013;
26. Certificate from a Chartered Accountant regarding the sources and amount deployed for the projects as of August 6, 2014;
27. Applications made for obtaining approvals / licenses for setting up of our proposed warehouses;
28. Purchase orders and work orders placed by our Company for civil, electrical and other works and plant and machinery for our proposed warehouses;
29. Insurance policies maintained by our Company;
30. All agreements in relation to the lease in respect of our proposed warehouses, Mumbai-I, Taloja (near Mumbai), Cuttack (near Bhubaneswar), Pune, Chennai-I, Mevalurkuppam, (near Chennai), Chennai- II, Mevalurkuppam, (near Chennai), Visakhapatnam, Pune (Ambient), and Surat (Ambient);
31. Sanction letter for working capital facility availed by our Company;
32. Loan agreement with HDFC Bank Limited dated April 19, 2012 for long term loan of ₹500 million;
33. Loan agreement with HDFC Bank Limited dated February 20, 2013 for long term loan of ₹150 million;
34. Loan agreement with IFC dated March 30, 2012 for long term loan of ₹300 million;
35. Loan agreement with IFC dated April 22, 2013 for long term loan of ₹150 million;
36. Bridge Loan agreement with Yes Bank Limited dated December 27, 2013 for bridge loan of ₹800 million;
37. Certificates for licenses / approvals/ registrations obtained by our Company for setting up the proposed warehouses;
38. Share Sale Agreement dated June 14, 2013 between GDL, IFC and our Company for acquisition of

51,42,500 shares at ₹35 per share;

39. Share Sale Agreement entered into on August 29, 2013 by GDL and Nichirei Logistics Group Inc for the proposed acquisition of 6% stake in our Company;
40. Valuation report by T Ramachandran & Co., Chartered Accountants for valuation of shares acquired by GDL from IFC pursuant to the Share Sale Agreement dated June 14, 2013; and
41. Valuation report by T Ramachandran & Co., Chartered Accountants for valuation of shares acquired by GDL from Nichirei Logistics Group Inc pursuant to the Share Sale Agreement entered into on August 29, 2013.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government of India or the regulations 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 Prospectus is contrary to the provisions of the Companies Act, the SCRA the SEBI Act or rules made thereunder or guidelines or regulations issued, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

**Mr. Gopinath Pillai**

*Chairman*

---

**Mr. Prem Kishan Dass Gupta**

*Vice Chairman and Director*

---

**Mr. Shabbir Hakimuddin Hassanbhai**

*Independent Director*

---

**Mr. Saroosh Cowasjee Dinshaw**

*Independent Director*

---

**Mr. Kannan Ravindran Naidu**

*Wholetime Director and Chief Executive Officer*

---

**Mr. Michael Philip Pinto**

*Independent Director*

---

**Mr. Masakazu Sakakida**

*Director*

---

**Mr. Alwarthirunagari Kuppuswamy**

**Thiruvenkata Chari**

*Independent Director*

---

### SIGNED BY THE CHIEF FINANCIAL OFFICER

**Mr. Sundar Mangadu Agaram**

*Company Secretary, Compliance Officer and  
Chief Financial Officer*

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Date: August 30, 2014

Place: Mumbai

**CONFIDENTIAL**

Ref: SLL\APS\20-02-2014\189

Dated: July 08, 2014

Mr Agaram Mangadu Sundar  
Chief Financial Officer  
Snowman Logistics Ltd.  
Corporate Office  
54, Old Madras Road,  
Virgonagar, Bangalore,  
India - 560 049

Dear Mr. Sundar,

**Ref: CRISIL IPO Grading for the Initial Public Offer of Equity Shares of  
Snowman Logistics Ltd - Letter of Revalidation**

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue and subsequent request for a letter of revalidation.

CRISIL, after due consideration, has assigned a CRISIL IPO Grade "4/5" (pronounced "four on five") to the captioned equity issue. This grade indicates that the fundamentals of the Issue are above average relative to other listed equity securities in India.

The assigned grade is a one-time assessment valid up to September 06, 2014. In the event of your company not opening the captioned issue by September 06, 2014, or in the event of any change in the size/structure of the issue, a fresh grading for the proposed IPO will be required.

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,



Mohit Modi  
Director, Equity Research



Amrit Paul Singh  
Senior Research Analyst, Equity Research

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the securities to which it relates (or any other securities); it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO Gradings. For information on any IPO grading assigned by CRISIL, please contact 'Client Servicing' at +91-22-3342 3561, or via e-mail: [clientservicing@crisil.com](mailto:clientservicing@crisil.com).

For more information on CRISIL IPO Gradings, please visit

<http://www.crisil.com/ipo-gradings>

**CRISIL Limited**

Corporate Identity Number: L67120MH1987PLC042363

**CONFIDENTIAL**

Ref: SLL\APS\20-02-2014\189

Dated: May 09, 2014

Mr Agaram Mangadu Sundar  
Chief Financial Officer  
Snowman Logistics Ltd.  
Corporate Office  
54, Old Madras Road,  
Virgonagar, Bangalore,  
India - 560 049

Dear Mr. Sundar,

**Ref: CRISIL IPO Grading for the Initial Public Offer of Equity Shares of  
Snowman Logistics Ltd - Letter of Revalidation**

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue and subsequent request for a letter of revalidation.

CRISIL, after due consideration, has assigned a CRISIL IPO Grade "4/5" (pronounced "four on five") to the captioned equity issue. This grade indicates that the fundamentals of the proposed Issue are above average relative to other listed equity securities in India.

The assigned grade is a one-time assessment valid up to July 06, 2014. In the event of your company not opening the captioned issue by this date, or in the event of any change in the size/structure of the issue, a fresh grading for the proposed IPO will be required.

With warm regards,

Yours sincerely,



Mohit Modi  
Director, Equity Research



Amrit Paul Singh  
Senior Research Analyst, Equity Research

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CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO Gradings. For information on any IPO grading assigned by CRISIL, please contact 'Client Servicing' at +91-22-3342 3561, or via e-mail: [clientservicing@crisil.com](mailto:clientservicing@crisil.com).

For more information on CRISIL IPO Gradings, please visit

<http://www.crisil.com/ipo-gradings>**CRISIL Limited**

Corporate Identity Number: L67120MH1987PLC042363

**CONFIDENTIAL**

Ref: SLLVAPS\20-02-2014\189

Dated: March 10, 2014

Mr Agaram Mangadu Sundar  
Chief Financial Officer  
Snowman Logistics Ltd.  
Corporate Office  
54, Old Madras Road,  
Virgonagar, Bangalore,  
India - 560 049

Dear Mr. Sundar,

**Ref: CRISIL IPO Grading for the Initial Public Offer of Equity Shares of Snowman Logistics Ltd**

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue.

CRISIL has, after due consideration, assigned a CRISIL IPO Grade "4/5" (pronounced "four on five") to the captioned equity issue. This grade indicates that the fundamentals of the Issue are above average relative to other listed equity securities in India.

The assigned grade is a one-time assessment valid for a period of 60 calendar days only from the date of this letter. In the event of your company not opening the captioned issue within a period of 60 days from the above date, or in the event of any change in the size/structure of the issue, a fresh letter of revalidation from CRISIL shall be necessary.

As per our Grading Agreement, CRISIL shall disseminate the assigned Grade through its publications and other media once the company agrees to the same.

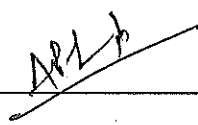
Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,



Mohit Modi  
Director, Equity Research



Amrit Paul Singh  
Senior Research Analyst, Equity Research

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the securities to which it relates (or any other securities); it does not comment on the issue price, future market price or suitability for a particular investor.

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<http://www.crisil.com/ipo-gradings>

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

# Snowman Logistics Ltd

One-time assessment

**CRISIL IPO Grade 4/5 (Above Average)**

March 10, 2014

## Grading summary

CRISIL Research has assigned a CRISIL IPO grade of '**4/5**' (pronounced 'four on five') to the proposed IPO of Snowman Logistics Ltd (Snowman). This grade indicates that the fundamentals of the IPO are **above average** relative to the other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the securities to which it relates (or any other securities); it does not comment on the issue price, future market price or suitability for a particular investor.

The assigned grade reflects Snowman's strong position as a leading domestic integrated cold chain company and good long-term prospects for the cold chain industry. CRISIL Research expects the cold chain industry to grow at a healthy pace over the next few years (15-17% CAGR over FY13-16) driven by growing demand from end-product industries, uneven regional distribution of cold storages in India and favourable government policies.

The grade is supported by Snowman's strong end-product portfolio, loyal clientele, professional management, seasoned shareholders and modern cold chain infrastructure. The company has increased its pallet (a structural foundation of a unit load for efficient handling and storage of products) capacity by five times in less than two years without any adverse impact on its margins. It further plans to expand its capacity to 1,00,000 pallets by FY16.

The grade is constrained by risks related to Snowman's aggressive capacity expansion plans. The company might not be able to generate sufficient business to run at a healthy utilisation with the increased capacity which can put pressure on its profitability and growth.

Snowman's operating income grew at a CAGR of 48.5% from ₹346 mn in FY10 to ₹1,137mn in FY13 driven by capacity expansion, broadening of the end-product portfolio and increase in the client base. EBITDA margin improved by 650 bps from 16% in FY10 to 22.5% in FY13 due to increase in utilisation and improvement in per pallet realisation. Consequently, EBITDA expanded at a CAGR of 66.3% from ₹56 mn in FY10 to ₹256 mn in FY13.

Adjusted PAT grew at a CAGR of 79.1% from ₹38.2 mn in FY10 to ₹219.4 mn in FY13 on the back of strong growth in EBITDA and tax credit on account of Section 35AD of Income Tax Act 1961. Consequently, PAT margin improved from 11% in FY10 to 19.3% in FY13. The company has a net debt of ₹885 mn as of FY13.

## About the company

Snowman Logistics Ltd (Snowman), founded in 1993, is a leading integrated player in a predominantly unorganised cold chain industry in India. The largest shareholder in the company is Gateway Distriparks Ltd (GDL), which owns 48.33% stake in the company. The other key shareholders in the company are Mitsubishi Logistics Corporation (2.93%), Mitsubishi Corporation (12.63%), International Finance Corporation or IFC (12.46%) and Norwest Venture Partners VII-A Mauritius (13.84%).

Snowman was incorporated by Amalgam Foods Ltd in 1993 as Snowman Frozen Foods Ltd. In 1997, erstwhile Brook Bond India, (now part of Hindustan Unilever Ltd) acquired 23% stake in the company. In 2001, Mitsubishi Corporation and Mitsubishi Logistic Corporation jointly bought a majority stake in Snowman. Until then, the company was incurring losses. In 2006, GDL became the largest shareholder in the company by acquiring 33.34% stake and revamped Snowman's management structure. In 2010, IFC acquired 20% stake. In 2011, to reflect the change in positioning of the company, the name of the company was changed to Snowman Logistics Ltd. In 2013, private equity firm NVP bought 14.28% stake in Snowman.

Snowman is engaged in cold chain warehousing and transport and value-added services for perishable goods. In its transport business, the company offers services through primary and secondary transportation. Primary transportation is an intercity service while secondary transportation is an intra-city service.

The company's cold chain business currently has 21 warehouses across 13 locations in India with a capacity of 46,751 pallets and a fleet of 238 reefer vehicles (reefers). Also, its ambient (normal temperature) warehousing business has a capacity of 3,000 pallets. 11 of the 21 temperature controlled warehouses are on leased land. The company's transport business has 175 leased reefers and 63 owned reefers. The company also offers value-added services such as labeling, grading, packaging and inventory management to some of its clients.

The company provides services to various industries such as seafood, poultry, fruits and vegetables, dairy, ice-cream, food processing, pharmaceuticals and some other niche segments. Its key clients are Hindustan Unilever Ltd (HUL), Al-Karim Exports Private Limited, McCain Foods India Pvt. Ltd (McCain), Novozyme South Asia Pvt. Ltd (Novozyme), Ferrero India Pvt. Ltd (Ferrero), Graviss Foods Private Limited etc.

**Table 1: Business environment**

| Product / segment                  | Warehousing                                                                                                                               | Distribution                                                                                                                                                                                                       | Consignment business                                                                                                                                                                                                                                                                                                    |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Revenue contribution (FY13)</b> | 46%                                                                                                                                       | 52%                                                                                                                                                                                                                | 2%                                                                                                                                                                                                                                                                                                                      |
| <b>Product / service offering</b>  | <ul style="list-style-type: none"> <li>■ Cold chain warehousing</li> <li>■ Ambient warehousing</li> <li>■ Value-added services</li> </ul> | <ul style="list-style-type: none"> <li>■ Cold chain primary distribution</li> <li>■ Cold chain secondary distribution</li> <li>■ Ambient primary distribution</li> <li>■ Ambient secondary distribution</li> </ul> | <ul style="list-style-type: none"> <li>■ Indenting, order bookings and category management</li> <li>■ Invoicing and receivable management</li> <li>■ Inventory management, supply and tax administration</li> <li>■ Reverse logistics and safe disposal of expired and excess stocks as per government norms</li> </ul> |
| <b>Geographic presence</b>         | 13 locations across India                                                                                                                 |                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                         |
| <b>Market position</b>             | Leading integrated cold chain player                                                                                                      |                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                         |
| <b>End markets</b>                 | Poultry, dairy, seafood, fruit and vegetables, pharmaceuticals, films and food processing industries                                      |                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                         |

| Product / segment      | Warehousing                                                                                                                                                                                                    | Distribution | Consignment business |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------|
| <b>Key competitors</b> | Gati Kausar Ltd, RK Food Lands Ltd, Kelvin Cold Chain Logistics Pvt. Ltd, M.J. Logistic Services Ltd, etc.                                                                                                     |              |                      |
| <b>Key clients</b>     | Hindustan Unilever Ltd (HUL), Al-Karim Exports Private Limited, McCain Foods India Pvt. Ltd (McCain), Novozyme South Asia Pvt. Ltd (Novozyme), Ferrero India Pvt. Ltd (Ferrero), Graviss Foods Private Limited |              |                      |
| <b>Key risks</b>       | <ul style="list-style-type: none"> <li>Aggressive incremental capacity expansion</li> <li>Cost overruns in the capacity expansion plan</li> </ul>                                                              |              |                      |

**Table 2: Evolution**

| Year | Event                                                                                                                                                                                                                                                                                                     |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1993 | Snowman Frozen Foods was incorporated by Amalgam Foods Ltd                                                                                                                                                                                                                                                |
| 1997 | Erstwhile Brook Bond India, (now part of HUL) Ltd acquired 23% stake                                                                                                                                                                                                                                      |
| 1998 | Operations commenced in 10 cold chain warehouses across India                                                                                                                                                                                                                                             |
| 2001 | Mitsubishi Corporation and Mitsubishi Logistics Corporation jointly acquired a majority stake                                                                                                                                                                                                             |
| 2004 | Nichirei Logistics Group Inc. (Japan) bought a 15% stake                                                                                                                                                                                                                                                  |
| 2006 | GDL acquired 6,861,000 equity shares from Amalgam Foods Limited's and by subscribing to fresh shares to become the largest shareholder in the company                                                                                                                                                     |
| 2008 | Warehouses got ISO 22000 (Food Safety Policy) certification                                                                                                                                                                                                                                               |
| 2010 | IFC acquired 20% stake<br>Certain cold chain warehouses received ISO 14001 (Environmental Safety Policy) certification                                                                                                                                                                                    |
| 2011 | New warehouses were set up in Mevalurkuppam, (near Chennai) and Bengaluru                                                                                                                                                                                                                                 |
| 2012 | Taloja (near Mumbai) warehouse was set up                                                                                                                                                                                                                                                                 |
| 2013 | NVP acquired 14.28% stake<br>New warehouses in Chennai, Bengaluru, Visakhapatnam, Taloja (near Mumbai), Mulshi (near Pune) and Palwal (near Delhi) were set up<br>GDL acquired 5,142,500 shares in the company from IFC<br>GDL entered into a share purchase agreement with Nichirei Logistics Group Inc. |

Source: DRHP

**Table 3: Issue details**

|                                                                  |                                                                                                                                                                              |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Type of issue</b>                                             | Initial public issue                                                                                                                                                         |
| <b>Shares offered to public</b>                                  | 42 mn                                                                                                                                                                        |
| <b>Shares offered as percent of post issue equity (dilution)</b> | 25.3%                                                                                                                                                                        |
| <b>Object of the issue</b>                                       | <ul style="list-style-type: none"> <li>Setting up new cold storages and ambient warehouses</li> <li>Long-term working capital</li> <li>General corporate purposes</li> </ul> |
| <b>Amount proposed to be raised</b>                              | Not available at the time of grading                                                                                                                                         |
| <b>Price band</b>                                                | Not available at the time of grading                                                                                                                                         |
| <b>Lead managers</b>                                             | HDFC Bank Ltd                                                                                                                                                                |

Source: DRHP



**Table 4: Use of IPO proceeds**

| Particulars                                      | Deployment of IPO proceeds (₹ mn) |
|--------------------------------------------------|-----------------------------------|
| Setting up new cold chain and ambient warehouses | 1,303.75                          |
| Long-term working capital                        | 134.97                            |
| General corporate purposes                       | NA                                |
| <b>Total</b>                                     | <b>NA</b>                         |

Source: DRHP

**Table 5: Shareholding pre- and post-issue**

| Category of equity shareholders | Pre-issue            |               | Post-issue (estimated) |               |
|---------------------------------|----------------------|---------------|------------------------|---------------|
|                                 | No. of equity shares | %             | No. of equity shares   | %             |
| Promoters and promoter group    | 5,98,54,119          | 48.33         | 5,98,54,119            | 36.09         |
| Others*                         | 6,39,81,738          | 51.67         | 10,59,81,738           | 63.91         |
| <b>Total</b>                    | <b>12,38,35,857</b>  | <b>100.00</b> | <b>16,58,35,857</b>    | <b>100.00</b> |

\*Others include Mitsubishi Corp., Mitsubishi Logistics Corporation, IFC and NVP

Source: DRHP

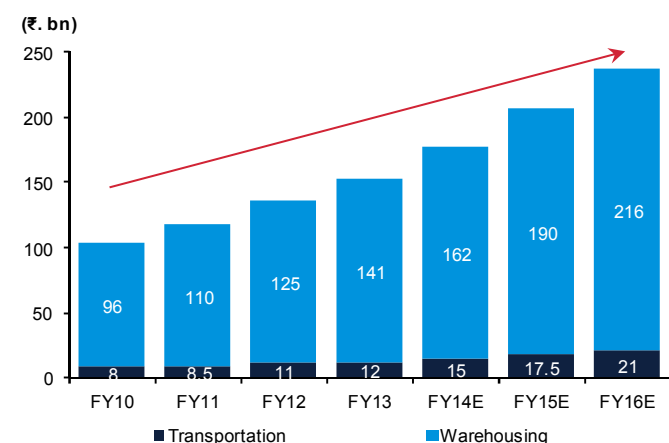
## Detailed Grading Rationale

### A. Business Prospects

**Cold chain industry has strong growth prospects driven by growth in end-user industries and organised retail**

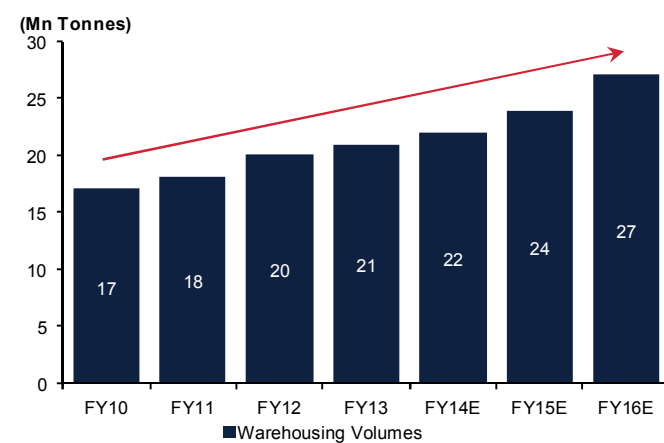
CRISIL Research expects the ₹150 bn (FY13 estimate) cold chain industry to grow at a healthy 15-17% over the next three years driven by growth in end-user industries and organised retail. Within the cold chain industry, warehousing services (which constituted about half of Snowman's revenues in FY13) are expected to grow at a CAGR of 15-17% from ₹125 bn in FY13 to ₹218 bn in FY16.

**Figure 1: Cold chain storage revenues to grow at a CAGR of 16% over FY13-16**



Source: CRISIL Research

**Figure 2: Cold chain storage volumes to grow at a CAGR of 9% over FY13-16**



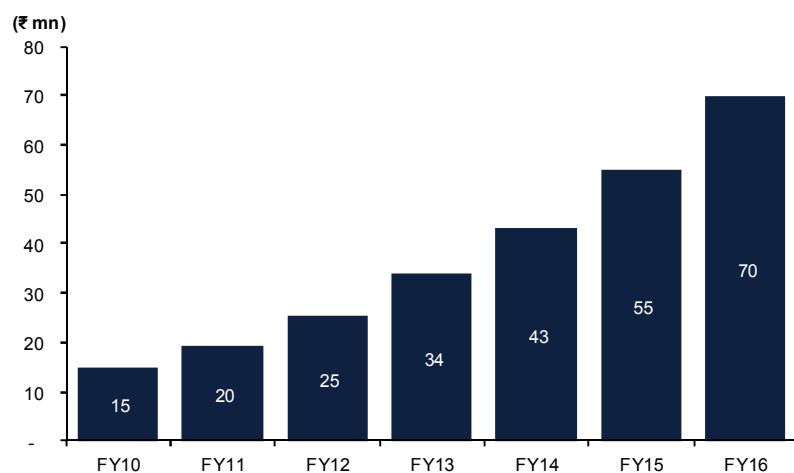
Source: CRISIL Research

The main growth drivers in the domestic cold chain industry are:

**Proliferation of QSRs:** The QSR (Quick Service Restaurant) industry is projected to grow at a healthy CAGR of 30% over FY13-16 driven by factors such as favourable demographics, rise in disposable incomes and increase in urbanisation. On the supply-side, the entry of international brands, expansion by the existing players and an improving retail infrastructure are expected to ensure strong growth. This proliferation of multinational QSR chains in India should create a demand for a pan-India cold chain logistics companies who can provide high quality services across India to the QSR chains.



Figure 3: QSR revenues to grow at 30% CAGR over FY13-16

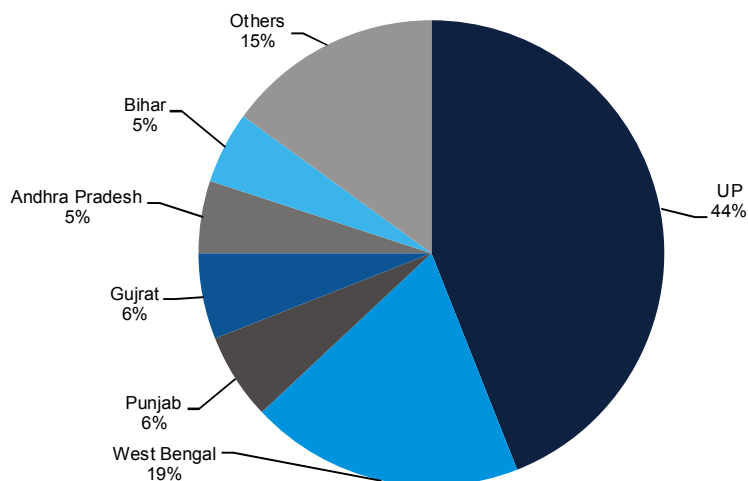


Source: CRISIL Research

**Increase in penetration of organised retail:** Although food and grocery collectively constitute 60% of overall retail, the penetration of this group in organised retail is quite low (2.5%). Due to the perishable nature of food and grocery products such as ice cream, butter and cheese, the biggest challenge for this group is the under-developed cold chain infrastructure. This challenge creates an opportunity for cold chain service providers.

**Skewed distribution of cold storage units in India:** India has a very uneven distribution of cold storage units. For instance, 44% of the cold storage in India is concentrated in Uttar Pradesh (Figure 4). This creates a demand for cold chain services in areas with low density of cold storage units.

Figure 4: Skewed distribution of cold storages in India



Source: CRISIL Research

**Increase in export demand for seafood:** CRISIL Research expects the fisheries export industry to grow to US\$5.19 bn in 2015-16 at a three-year CAGR of 14% driven by increasing demand from key importing countries such as the US, the EU, Japan, China and the Middle East.

India is one of the largest producers of seafood in the world but 20-30% of annual seafood produce is wasted as its shelf life is short. Although most of the seafood is caught in summer, there is a huge demand for seafood throughout the year. For assured supply during the non-catch season, there is a need for cold storages to maintain quality and prevent spoilage of seafood.

**Emergence of niche segments that require cold chain services:** There is an untapped demand for cold chain services from niche segments such as pharmaceuticals, enzymes, reagents, films, etc. due to high temperature sensitivity of the products and potential high loss in case of spoilage.

### ***The industry is shifting towards high premium end-products and organised play***

The cold chain industry is moving towards high premium end-products and the organised segment from the plain vanilla storage of potatoes.

The cold chain industry in India is highly fragmented with the unorganised segment comprising an estimated 90% market share. The unorganised sector consists mainly of low quality warehouses offering simple storage or standalone transporters. Although there are many standalone transporters, most of the organised players have a limited number of cold storage units. The main players in the organised sector are Snowman, RK Foodlands, Coldex, Devbhomi, Kausar India, Fresh and Healthy Enterprises and Bulaki Deep Freeze.

There are almost 6,500 cold storages across the country, most of which are operated by small players with less than five cold storage units. In terms of catering to end products, 74% of the cold storage facilities are used for potatoes. With growing demand for multipurpose storage facilities, the share of potato storage, which is a low-margin business, is declining.

### ***Favourable government policies to promote cold chain infrastructure***

Favourable government policies offer incentives such as viable gap funding, tax cuts, liberal FDI norms etc. to the cold chain infrastructure companies to encourage them to invest heavily in the industry.

In FY12, the Government of India awarded infrastructure status to the cold chain industry in India to curb post-harvest losses, increase realisations for farmers and lower price fluctuations in perishable commodities.

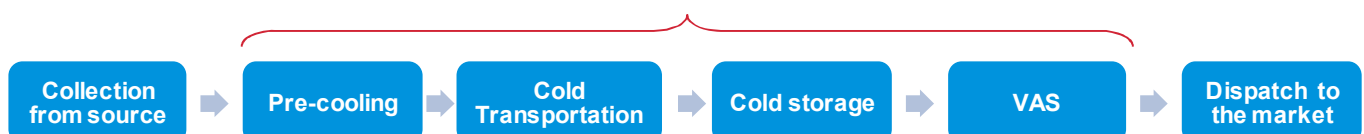
|                                 |                                                                                                          |
|---------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Infrastructure status</b>    | ■ The cold chain industry was awarded infrastructure status in FY12                                      |
| <b>Viability gap funding</b>    | ■ Funding up to 40% of the project cost and 55% of the project cost in the case of north-eastern areas   |
| <b>Tax and duty cuts</b>        | ■ 5% concession on import duty, service tax exemption, excise duty exemption on several items.           |
| <b>Depreciation benefits</b>    | ■ Deduction of 150% of the total capex while computing taxable income                                    |
| <b>Foreign investment norms</b> | ■ 100% FDI norms & liberal ECB norms                                                                     |
| <b>NCCCD establishment</b>      | ■ Established in 2011 to look into matters related to cold chain infrastructure                          |
| <b>Proposed Policies</b>        | ■ Financial outlay for cold chain infrastructure and food parks of ₹1,675 cr and ₹3,250 cr respectively. |

## ***Snowman - a complete cold chain provider with presence across value chain***

Snowman is a leading integrated cold chain player in India with presence across the value chain of the industry. The company offers high quality cold chain storage, distribution and value-added services. It has high-end equipment and handling mechanism, and uninterrupted power and fuel supply. Further, the company's presence in 13 locations allows it to offer services to clients across India.

Snowman charges its clients a premium based on high quality offering, pan India operations and presence across the value chain.

## ***The value chain***

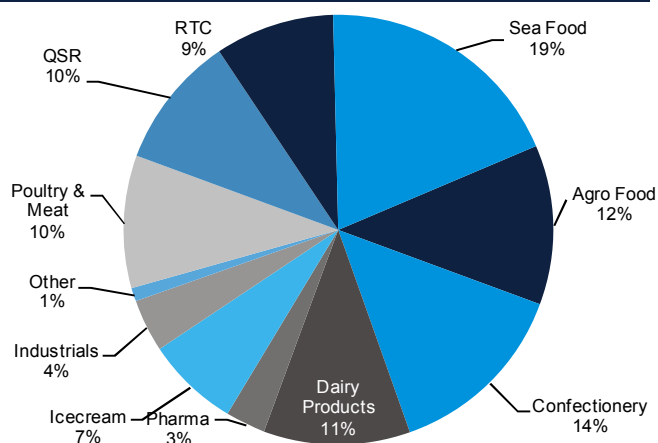


### ***Caters to diverse end-product industries to counter demand volatility and realise growth potential***

Snowman offers cold chain logistic solutions for diverse industries such as seafood, poultry products, fruits and vegetables, dairy products, ice-cream, retail, pharmaceuticals and some other niche segments. Serving diverse end products helps the company in countering demand volatility as most of the end products that require cold storage have seasonal demand.

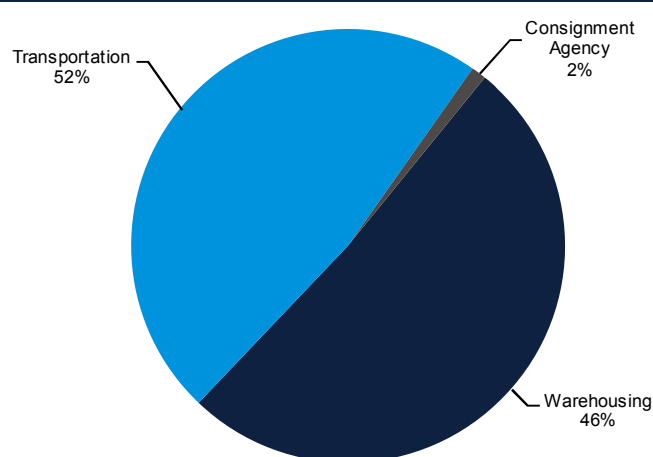
Snowman is also well placed to gain from the growth prospects in the end-product industry it serves.

**Figure 5: Well-diversified product mix (FY13)**



Source: Company, CRISIL Research

**Figure 6: Segmental revenue mix FY13**



Source: Company, CRISIL Research

**Table 6: Strong end-product industry growth to boost cold chain demand**

| End products segment | Revenue share (FY13) | Outlook (CAGR over FY13-16) | Key clientele                           |
|----------------------|----------------------|-----------------------------|-----------------------------------------|
| Seafood              | 19.0%                | 12.5%                       | West Coasts Fine Foods Ltd.             |
| Confectionaries      | 14.0%                | 14.0%                       | Ferrero India Ltd., McCain Foods Ltd.   |
| F&V & agro foods     | 12.0%                | High growth                 | Godrej Agro                             |
| Dairy                | 11.0%                | 10.0%                       | Amul                                    |
| QSR                  | 10.0%                | 30.0%                       | Subway, Dominos, KFC                    |
| Poultry              | 10.0%                | 14.0%                       | Suguna Foods Limited                    |
| Ready to cook        | 9.0%                 | 10.0%                       | McCain Foods Ltd.                       |
| Ice-cream            | 7.0%                 | 19.0%                       | HUL                                     |
| Niche segments       | 7.0%                 | High growth                 | Novozyme, Indian Immunologicals Limited |
| Others               | 1.0%                 |                             |                                         |

Source: CRISIL Research

### ***Well diversified and loyal clientele***

Snowman's clients are from diverse industries such as FMCG, QSRs, poultry, seafood, dairy, food processing, confectionaries and pharmaceutical. The strong and diversified customer base helps the company in running at high utilisation throughout the year. Snowman's key clients are Hindustan Unilever Ltd (HUL), Al-Karim Exports Private Ltd, McCain Foods India Pvt. Ltd (McCain), Novozyme South Asia Pvt. Ltd (Novozyme), Ferrero India Pvt. Ltd (Ferrero), Graviss Foods Private Ltd etc.

The company has relatively low client concentration as its top 25 clients contribute ~40% to the company's total revenues.

### ***Three-pronged service model in warehousing***

- **Dedicated chamber:** The entire chamber capacity is sold on a dedicated basis. Rent for the capacity is charged irrespective of whether the client uses capacity or not.
- **Guaranteed space:** A fixed number of pallets are guaranteed to the client, which can be used whenever required. If the client is not using its capacity, Snowman can use this capacity for pay-and-park customers.
- **Pay and park:** Under this model, clients pay for the capacity and store their products.

The three-pronged strategy helps the company in maintaining high utilisation.

### ***Superior services compared with unorganised players***

Snowman has been focusing on offering superior services to its clients compared with the unorganised players. It offers value-added services (VAS) services including cleaning, grading, sorting, packaging and inventory management to its clients.

Snowman uses very efficient modern warehousing infrastructure which includes real time data logging and enterprise resource planning (ERP system) to monitor and track the quality and quantity of products stored and being transported. Clients can themselves track and monitor the temperature of its products in storage and distribution.

Snowman uses Freon 404 as refrigerant, which though expensive is safer and better compared with ammonia used by the unorganised players. Use of ammonia has regulatory repercussions as well.

**Table 7: Freon vs ammonia**

| Desired properties                                        | Freon           | Ammonia   |
|-----------------------------------------------------------|-----------------|-----------|
| Industrial Name                                           | R404            | R-717     |
| Low boiling point                                         | -46.1           | -33.3     |
| Non-corrosive to metal                                    | Non-corrosive   | Corrosive |
| Flammability                                              | Non-inflammable | Flammable |
| Toxicity                                                  | Non-toxic       | Toxic     |
| Explosive nature                                          | Non-explosive   | Explosive |
| Cost                                                      | Expensive       | Cheap     |
| Easy to locate leaks by odour or other suitable indicator | No              | Yes       |

**Source: CRISIL Research**

Snowman also offers ultra freezing facility to its clients. It has installed a blast freezer which can be used to freeze products to as low as -40 degree Celsius. Bacteria multiply fastest between +8°C (46°F) and +68°C (154°F). By reducing the temperature of cooked food from +70°C (158°F) to +3°C (37°F) or below within 90 minutes, the food is rendered safe for storage and future consumption.

## Key risks

### ***Aggressive incremental capacity expansion***

Snowman is aggressively expanding its capacity from 36,210 pallets in FY13 to 100,000 pallets in the next couple of years. In case the company is unable to generate sufficient business, its utilisation could come under pressure, subsequently putting pressure on profitability and growth.

### ***Cost overruns in the capacity expansion plan***

Cost overruns and delay in building the new warehouses may hamper growth and put pressure on the company's financials.

## B. Financial Performance

Snowman's operating income grew at a CAGR of 48.5% from ₹346 mn in FY10 to ₹1,137mn in FY13 driven by capacity expansion, broadening of end product offering and increase in the client base. EBITDA margin improved by 650 bps from 16.0% in FY10 to 22.5% in FY13 due to increase in utilisation and improvement in per pallet realisation. Consequently, EBITDA grew at a CAGR of 66.3% from ₹56 mn in FY10 to ₹256 mn in FY13.

Adjusted PAT grew at a CAGR of 79.1% from ₹38.2 mn in FY10 to ₹219.4 mn in FY13 on the back of strong growth in EBITDA and tax credit on account of Section 35AD of Income Tax Act 1961. Consequently, PAT margin improved from 11% in FY10 to 19.3% in FY13.

Due to large capex of ₹1,153 mn in FY13, the company has a negative free cash flow. It has a net debt of ₹885 mn as of FY13.

| ₹ mn                      | FY09   | FY10  | FY11  | FY12  | FY13  |
|---------------------------|--------|-------|-------|-------|-------|
| Operating income          | 316    | 346   | 452   | 614   | 1,137 |
| EBITDA                    | 27     | 56    | 91    | 130   | 256   |
| EBITDA margin             | 8.4%   | 16.0% | 20.0% | 21.1% | 22.5% |
| Adjusted PAT              | 9.6    | 38.2  | 62.7  | 34.3  | 219.4 |
| Adj PAT Margin (%)        | 3.0%   | 11.0% | 13.9% | 5.6%  | 19.3% |
| Adj EPS (₹)               | (0.1)  | (0.4) | (0.6) | (0.3) | (2.1) |
| RoCE (%)                  | (2.1)  | 2.3   | 5.0   | 6.7   | 9.9   |
| RoE (%)                   | 2.8    | 4.6   | 6.2   | 3.2   | 18.4  |
| Actual o/s shares (mn)    | 82.3   | 102.9 | 102.9 | 102.9 | 102.9 |
| Net debt/equity (x)       | (0.4)  | (0.5) | (0.3) | (0.1) | 0.7   |
| Net worth                 | -      | -     | -     | -     | -     |
| Cash flow from operations | (65.7) | 32.8  | 70.7  | 94.5  | 244.2 |

Source: DRHP

RoE rose sharply from 4.6% in FY10 to 18.4% in FY13. RoCE increased from 2.3% in FY10 to 9.9% in FY13.

## Financials

### Income statement

| (₹ mn)                  | FY09 | FY10  | FY11  | FY12  | FY13  |
|-------------------------|------|-------|-------|-------|-------|
| <b>Operating income</b> | 316  | 346   | 452   | 614   | 1,137 |
| <b>EBITDA</b>           | 27   | 56    | 91    | 130   | 256   |
| <b>EBITDA margin</b>    | 8.4% | 16.0% | 20.0% | 21.1% | 22.5% |
| Depreciation            | 34   | 36    | 40    | 59    | 91    |
| <b>EBIT</b>             | (7)  | 19    | 50    | 71    | 165   |
| Interest                | 0    | 0     | 0     | 0     | 23    |
| <b>Operating PBT</b>    | (8)  | 19    | 50    | 70    | 142   |
| Other income            | 16   | 18    | 23    | 20    | 3     |
| Exceptional inc/(exp)   | 0    | (8)   | 1     | 17    | (15)  |
| <b>PBT</b>              | 8    | 30    | 75    | 107   | 130   |
| Tax provision           | (1)  | (0)   | 11    | 56    | (74)  |
| Minority interest       | -    | -     | -     | -     | -     |
| <b>PAT (Reported)</b>   | 10   | 30    | 64    | 51    | 205   |
| Less: Exceptionals      | 0    | (8)   | 1     | 17    | (15)  |
| <b>Adjusted PAT</b>     | 10   | 38    | 63    | 34    | 219   |

Source: DRHP



## **C. Management Capabilities and Corporate Governance**

Snowman's professional management and seasoned promoters bring in huge experience in the logistics industry and financial stability to grow the company.

### ***Professional management supported by a strong professional second line***

We believe that the company is led by an experienced and professional management. The management is headed by Mr Ravi Kannan (CEO and whole-time director) who has 18 years of experience in the supply chain industry. The management has been able to demonstrate strong understanding of the business and planning and execution capabilities by increasing the capacity five times in less than two years without any detrimental effect on the realisation and margins. Under the current management, the company has successfully increased its client base and strengthened its offerings.

### ***Seasoned promoters and other shareholders***

GDL as a promoter brings in experience in the logistics industry. GDL's chairman, Mr Pillai, was instrumental in completely revamping and restructuring Snowman's management in 2007, when GDL became the majority shareholder.

IFC, a World Bank member, is another strong shareholder. It has 12.46% stake in Snowman. Since its investment in 2010, IFC has been very critical in bringing the best practices, quality assurance checks, increasing efficiency, setting out specific environmental measures and giving direction to the recent capacity expansion plan. The company has obtained many certifications under IFC guidance to improve the internal audit practices and monitoring to assure the quality of the products stored and transported.

### ***Board includes experienced independent directors from diverse backgrounds***

Snowman's board consists of eight directors, of whom four are independent directors. Two of the independent directors are from the logistics industry and other two have experience in the financial industry. The diverse backgrounds help in constructive contribution in the decision-making process during the board meetings.

We believe that board processes are in place. All the major decisions are discussed at the board meetings and the independent directors receive the necessary documents in advance. The company currently has four committees (audit, compensation, share allotment, transfer & investor grievances and IPO). The company's quality of disclosure can be considered good judged by the level of information and details furnished in the DRHP, websites and other publicly available data. Further, based on our interactions with the management, we believe that the management is transparent and forthcoming with information.

## Annexure I: Profile of the directors

| Name                      | Designation              | Age | Qualification                                              | Directorships / partnership in other entities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------|--------------------------|-----|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr Gopinath Pillai        | Chairman                 | 76  | Bachelor's Degree from the University of Malaya            | <p>Incorporated in Singapore</p> <ul style="list-style-type: none"> <li>■ Windmill International Pte. Ltd</li> <li>■ Savant Infocomm Pte. Ltd</li> <li>■ KSP Investments Pte. Ltd</li> <li>■ Savant Infotech Solutions Pte. Ltd</li> <li>■ Little India Arcade Pte. Ltd</li> <li>■ Edutech Investments (India) Pte. Ltd</li> <li>■ Eastcom Systems Pte. Ltd</li> <li>■ Manquist Holdings Pte. Ltd</li> <li>■ Tourmasters Pte. Ltd</li> <li>■ Tourmasters (GSA) Pte. Ltd</li> <li>■ Infocom Technologies &amp; Education Pte. Ltd</li> <li>■ Playware Studios Asia Pte. Ltd</li> <li>■ Ang Mo Kio- Thye Hua Kwan Hospital Ltd</li> <li>■ Jurong International Holdings Pte. Ltd</li> </ul> <p>Incorporated in India</p> <ul style="list-style-type: none"> <li>■ Gateway Distriparks Ltd</li> <li>■ Gateway East India Pvt. Ltd</li> <li>■ Gateway Distriparks (South) Pvt. Ltd</li> <li>■ Gateway Rail Freight Ltd</li> <li>■ Gateway Distriparks (Kerala) Ltd</li> <li>■ Chandra CFS and Terminal Operators Pvt. Ltd</li> </ul> <p>Incorporated in Mauritius</p> <ul style="list-style-type: none"> <li>■ KSP Holdings Ltd</li> <li>■ Edutech Holdings (India) Ltd</li> <li>■ KSP Logistics Ltd</li> </ul> <p>Incorporated in the UK</p> <ul style="list-style-type: none"> <li>■ AEC Education Plc</li> </ul> |
| Mr Prem Kishan Dass Gupta | Vice Chairman & Director | 55  | Bachelor's degree in Science from the University of Delhi. | <p>Incorporated in India</p> <ul style="list-style-type: none"> <li>■ Gateway Distriparks Ltd</li> <li>■ Gateway East India Pvt. Ltd</li> <li>■ Gateway Distriparks (South) Pvt. Ltd</li> <li>■ Gateway Rail Freight Ltd</li> <li>■ Gateway Distriparks (Kerala) Ltd</li> <li>■ Chandra CFS and Terminal Operators Pvt. Ltd</li> <li>■ Massco Media Pvt. Ltd</li> <li>■ Perfect Communications Pvt. Ltd</li> <li>■ Prism International Pvt. Ltd</li> <li>■ Star Cineplex Pvt. Ltd</li> <li>■ Prima Soft Tissues Pvt. Ltd</li> <li>■ Prestige Infracon Pvt. Ltd</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Name                                   | Designation                       | Age | Qualification                                                                      | Directorships / partnership in other entities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------|-----------------------------------|-----|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr Shabbir<br>Hakimuddin<br>Hassanbhai | Independent<br>Director           | 67  | Accountant                                                                         | <p>Incorporated in Singapore</p> <ul style="list-style-type: none"> <li>■ Indo Straits Trading Co. (Pte.) Ltd</li> <li>■ Hassanbhai Realty Pte. Ltd</li> <li>■ Zee Chin &amp; Co Pte. Ltd</li> <li>■ Hakimuddin &amp; Sons Pte. Ltd</li> <li>■ Premier Travels (GSA) Pte. Ltd</li> <li>■ Singapore Business Advisors and Consultants Council Ltd</li> <li>■ Intraco Ltd</li> </ul> <p>Incorporated in India</p> <ul style="list-style-type: none"> <li>■ Gateway Distriparks Ltd</li> <li>■ Gateway Distriparks (South) Pvt. Ltd</li> <li>■ Gateway East India Pvt. Ltd</li> <li>■ Gateway Rail Freight Ltd</li> <li>■ Chandra CFS and Terminal Operators Pvt. Ltd</li> </ul> <p>Incorporated in United Arab Emirates</p> <ul style="list-style-type: none"> <li>■ Al Badawi General Trading LL</li> </ul> |
| Mr Saroosh<br>Cawasjee<br>Dinshaw      | Independent<br>Director           | 43  | Bachelor of Commerce and LL.B. and holds a MBA from the Texas Christian University | <ul style="list-style-type: none"> <li>■ Gateway Distriparks Ltd</li> <li>■ Cawasjee Dinshaw and Sons Pvt. Ltd</li> <li>■ United Salt Works and Industries Ltd</li> <li>■ The Zoroastrian Co-operative Bank Ltd</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Mr Kannan<br>Ravindran<br>Naidu        | Whole time<br>Director and<br>CEO | 54  | Master"s degree in Computer Application                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Mr Michael<br>Philip Pinto             | Independent<br>Director           | 70  | Retired IAS officer                                                                | <ul style="list-style-type: none"> <li>■ Gateway Distriparks Ltd</li> <li>■ Star Paper Mills</li> <li>■ Infrastructure Leasing &amp; Financial Services Ltd</li> <li>■ Gateway Distriparks ( Kerala) Ltd</li> <li>■ Ashoka Buildcon Ltd</li> <li>■ SCI Forbes Ltd</li> <li>■ Tolani Shipping Company Ltd</li> <li>■ Principal Trustee Company Pvt. Ltd</li> <li>■ Essar Ports Ltd</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                               |
| Mr AKT Chari                           | Independent<br>Director           | 74  | Electrical Engineering from the University of Madras                               | <ul style="list-style-type: none"> <li>■ Infrastructure Development Corporation (Karnataka) Ltd</li> <li>■ Feedback Infra Pvt. Ltd</li> <li>■ HDFC Standard Life Insurance Company Ltd</li> <li>■ HDFC Pension Management Company Ltd</li> <li>■ Mahindra EPC Services Pvt. Ltd</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Mr Masakazu<br>Sakakida                | Director                          | 55  | Bachelor's degree in Engineering from the University of Tokyo, Japan               | <ul style="list-style-type: none"> <li>■ Mitsubishi Corporation India Pvt. Ltd</li> <li>■ MC Craft Machinery Pvt. Ltd</li> <li>■ Asahi Glass India Ltd</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

Source: DRHP

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- Largest provider of fixed income valuations in India
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- Ranking of Indian mutual fund schemes covering 70 per cent of assets under management and ₹4.7 trillion (US\$ 85 billion) by value
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- First research house to release exchange-commissioned equity research reports in India
- Assigned the first IPO grade in India

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